



**Wage & Investment**

# 2015 SPEC Partner Filing Season Readiness

## Training Guide



### Official IRS Training Material

This material was designed specifically for training purposes only. Under no circumstances should the contents be used or cited as authority for setting or sustaining a technical position.

## SPEC Mission

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The Stakeholder Partnerships, Education and Communication (SPEC) mission is to assist taxpayers in satisfying their tax responsibilities by building and maintaining partnerships with key stakeholders, seeking to create and share value by informing, educating, and communicating with our shared customers.

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## Message from Director, SPEC

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Thank you for your commitment to the Stakeholder Partnerships, Education and Communication (SPEC) organization and your continued support to help IRS administer the Volunteer Income Tax Assistance (VITA) and Taxpayer Counseling for the Elderly (TCE) programs. I would like to begin by congratulating you on an awesome 2014 Filing Season. As Stakeholder Partnerships, Education and Communication (SPEC) partners, you reached an all-time high by preparing over 3.5 million returns with an accuracy rate of 92%.

The successful outcome of this past filing season shows your enormous amount of dedication.

I know many of you have started planning for Filing Season 2015. This includes strengthening existing relationships and establishing new ones. Increasing the quality of returns prepared at VITA and TCE sites will continue to be a top priority for the 2015 Filing Season.

Publication 5159, SPEC Partner Filing Season Readiness, was developed this year as a resource guide to assist partners in managing resources more effectively and provide valuable information for the upcoming filing season. This publication also provides vital information on the tools and processes that will lead to improved performance at your VITA/TCE site.

As we continue to strengthen our partner collaborations with you, it is critical to emphasize and agree on the importance of following consistent quality procedures in order to ensure consistently high accuracy and quality. This new partner FSR guide is essential to SPEC's continued success.

Remember, you hold the key to Quality!

Dietra Grant  
Director, SPEC

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## IRS Privacy Principles

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### Privacy Rights

We in the IRS are fully committed to protecting the privacy rights of taxpayers and employees. Many of these privacy rights are rooted in law. We recognize, however, that merely complying with the law is not enough. IRS also accepts the social responsibility of protecting personal information, which is implicit in maintaining the ethical relationship between the Service and our customers. The components of this ethical relationship are honesty, integrity, fairness, and respect.

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### Confidential Information

Among the most basic of privacy rights is the Service's obligation to keep personal and financial information confidential. Our customers, taxpayers and employees alike, have the right to expect that the Service will collect, maintain, use, and disseminate personally identifiable information only as authorized by law, and as necessary to carry out our responsibilities.

IRS will safeguard the integrity and quality of personal and financial data. IRS employees will perform their duties in a manner that recognizes and enhances individuals' rights of privacy and will ensure that their activities are consistent with law, regulations, and good administrative practices.

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### Privacy Principles

The Service takes very seriously its social and legal responsibility to taxpayers, employees, and citizens. To promote and maintain the privacy and confidentiality protections provided by the IRS, we will be guided by the following Privacy Principles:

1. Protecting taxpayer privacy is a public trust.
  2. Personal information will only be collected if it is necessary for tax administration or other legally authorized purposes.
  3. Information will be used only for the purpose for which it was collected, or as specifically authorized by law.
  4. Information will be collected, to the greatest extent practicable, directly from the individual to whom it relates. Information that is collected from third parties will be verified for accuracy with the subject, whenever possible, before final action is taken.
  5. All IRS employees share in the responsibility for protecting the privacy of individuals whose information they have access to: taxpayers, employees, and visitors to IRS websites.
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## Privacy Points

### Reasons for Concern

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There are several reasons why the IRS needs to be very concerned with the privacy of the American taxpayer:

- **Voluntary Compliance** – Many experts from inside and outside the IRS tell us that people may not voluntarily comply with tax laws if they think their personal information is being abused.
  - **Share Ability of Data** – With the increased development of integrated information systems within IRS and accelerating shared data across government, there is an increased risk of an invasion of privacy.
  - **Renewed Interest of the Taxpayer** – Taxpayers and their representatives in Congress are taking a renewed interest in taxpayer privacy rights. The Big Brother menace seems to be more real to many people now than ever before. Investigations of employees browsing taxpayer files have heightened the fears and concerns of taxpayers and the oversight committees in Congress.
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## Notices and Disclaimers

### Identification Numbers

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The Document Locator Numbers (DLNs), Employer Identification Numbers (EINs), Social Security Numbers (SSNs), various Taxpayer Identification Numbers (TINs), Preparer Tax Identification Numbers (PTINs), Credit Card Numbers, Checking Account Numbers, Phone Numbers, and Direct Deposit Routing Numbers used in this course are hypothetical. They were constructed by random selection of numbers to appear realistic and increase the effectiveness of the training. Any duplication of numbers actually assigned is purely coincidental. All other names and numbers used in this material are fictitious.

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### Naming Conventions

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The taxpayer and business names shown in this publication are fictitious. They were chosen at random from a list of names of Counties and Colleges in the United States as shown in *United States Government Printing Office Style Manual*. In many instances, we attempted to choose names that were not of English origin to better illustrate “International” entities. Street names were chosen from this same list, and are not meant to identify any actual addresses.

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## Publication 5159 Overview

### Objectives

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Stakeholder Partnerships, Education and Communication (SPEC) has developed a new training guide for partners to facilitate consistent information to prepare partners for the 2015 filing season. This guide provides detailed information on site management and serves as a valuable source of information on IRS-SPEC process requirements for VITA/TCE site and partner management. This guide provides a valuable source of information for partners and volunteers on the tools and processes that will lead to improved performance in the coming year. Partners are strongly encouraged to review the information contained in this publication prior to site coordinator and volunteer training.

This product is available in an electronic only format. There is no certification test for completing this product.

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# Lesson 1

## Quality Site Requirements (QSR)

### Overview

This lesson contains the following topics:

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- Link & Learn Taxes, <http://www.irs.gov/app/vita>
- Publication 5166, *Quality Site Requirements*

### Introduction

As we continue to engage employees and strengthen partner collaborations, we must emphasize and agree on the importance of following consistent quality procedures in order to strengthen quality and minimize the consequences for not following these processes. This year's Filing Season Readiness (FSR) theme ***"You hold the Key to Quality Results"*** is based on SPEC Shopping, Quality Statistical Sample (QSS) findings, and Field Site Visits during the 2014 filing season.

This new partner product is essential and just in time for quality and oversight updates. Partners are strongly encouraged to review the information contained in this publication prior to site/local coordinator and volunteer training.

There is no certification test for completing this product. This product is available in an electronic only format.

This lesson provides an overview of training requirements for volunteer positions and detailed information on the Quality Site Requirements (QSR).

### Objectives

By the end of this lesson, you will be able to:

1. List the training requirements for volunteer positions.
2. Determine updates to the Quality Site Requirements.

## VITA & TCE Quality Site Requirements

### Purpose

All taxpayers using the services offered through the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) Programs should be confident they are receiving accurate return preparation and quality service. The purpose of the **Quality Site Requirements (QSR)** is to ensure quality and accuracy of return preparation and consistent operation of sites. The QSR are required to be communicated to all volunteers and partners to ensure IRS and partner mutual objectives are met.

Based on lessons learned during the prior filing season, the Quality Site Requirements were updated to strengthen IRS oversight of the VITA/TCE Programs.

### Form 6729, Site Review Sheet

### Site Review

SPEC's methodology for measuring a site's adherence (compliance) to the ten Quality Site Requirements is based on how the site followed all ten requirements. Each site will receive 10 percentage points for each QSR rated as "Met" for a total of 100 potential points or adherence rate of 100 percent. SPEC reviewers and partners use Form 6729, *Site Review Sheet*, to identify areas of improvement. Although Form 6729 asks more than one question for most of the QSR, each QSR contains only one measurement question. To promote partner satisfaction this will evaluate sites on QSR compliance.

The measured questions are bolded on Form 6729, *Site Review Sheet*, and will be used to determine Quality Site Requirements compliance.

### Corrective Actions

If a noncompliant Quality Site Requirement is identified at the site as SPEC and/or partner reviews (including field site visits) are conducted, corrective action(s) should be taken immediately. The primary goal is to work with the site/local coordinator and assist them in becoming compliant as soon as possible. If possible, the reviewer should provide assistance and support necessary to meet the QSR. This may involve discussions, counseling, and/or mentoring assistance with the site/local coordinator within a reasonable period.

If the QSR cannot be immediately corrected, SPEC reviewers will contact the territory manager and partners should contact their relationship manager, to ensure the noncompliant QSR is corrected. The territory manager will contact the relationship manager who will initiate follow-up actions immediately, or within seven calendar days after the initial review/visit to ensure QSR compliance.

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### Volunteer Standards of Conduct Violation

If any volunteer **refuses** to adhere, comply, or follow a QSR, **it is a violation of Volunteer Standard of Conduct (VSC) # 1. Partners and site/local coordinators are encouraged to contact their relationship manager and/or use the external referral process by e-mailing IRS at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov) or calling toll free 1-877-330-1205.** This toll free number is only in operation January through May.

See Publication 1084, *IRS Volunteer Site Coordinator's Handbook*, for more information or Publication 4961, *Volunteer Standards of Conduct-Ethics Training*, for additional training.

## Guidelines - Quality Site Requirements

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The 10 requirements listed below have been identified as necessary to ensure taxpayers visiting VITA/TCE sites receive quality service and accurate return preparation.

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### 1. Volunteer Certification

Annually, prior to working at a **VITA/TCE site, all volunteers** are required to complete:

- Volunteer Standards of Conduct (VSC) training and pass the VSC test with a score of 80% or higher, which includes awareness training on the Intake/Interview & Quality Review Process. This training is available on Link & Learn Taxes, and in Publication 4961, *Volunteer Standards of Conduct- Ethics Training*.

In addition, prior to working at a VITA/TCE site:

- Instructors, site/local coordinators, return preparers, and quality reviewers are required to view Publication 5101, *Intake/Interview and Quality Review Training*, which details how to prepare and quality review tax returns. This process includes interviewing the taxpayer and discussing items on Form 13614-C, *Intake/Interview & Quality Review Sheet*. Relationship managers are required to ensure their partners and/or site coordinators receive or have access to Publication 5101. This Publication is available on [irs.gov](https://www.irs.gov), keyword search "Publication 5101".
- Volunteers who answer tax law questions, instruct tax law classes, prepare or correct tax returns and/or conduct quality reviews of completed tax returns are required to be certified in tax law. This constitutes an annual certification in current tax law. IRS-tax law certified volunteer preparers can only prepare returns based on the appropriate level of certification required for the return. If the site is preparing returns at a higher level, the IRS-tax law certified volunteer preparer's certification level must be equivalent. Volunteers who assist in various roles (for example, greeters, receptionists, equipment coordinators, etc.) who do not provide assistance with tax law-related issues do not have to certify in tax law.
  - All IRS-tax law certified volunteer preparers are required to prepare returns that are within scope for VITA/TCE Programs. Out-of-scope returns should be identified early in the return preparation process. All out-of-scope returns are required to

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### 1. Volunteer Certification (continued)

be referred to a professional return preparer. The definition of scope refers to VITA/TCE permissible tax law topics applied to a volunteer prepared tax return. Scope does not refer to income levels. A Scope of Service chart is located in Publication 4012, VITA/TCE Volunteer Resource Guide.

- All instructors at a minimum are required to be tax law certified at the Advanced level.
- All designated/peer-to-peer quality reviewers are required to be tax law certified at a minimum, at the Basic level or higher (based on the complexity of the return). If any preparers at the site are above the Basic tax law certification level, at least one quality reviewer must be at the same level or higher.
- Site coordinators are required to complete Site Coordinator Training prior to the site opening. This includes reviewing Publication 1084, *Site Coordinator's Handbook*, and Publication 5088, *Site Coordinator Training*. Publication 5088 training course is available on Link & Learn Taxes and from the local IRS SPEC territory office. AARP conducts Local Coordinator training annually.
  - Site/local coordinators are required to exercise due diligence by having a method to verify certification the day the volunteer reports to the site and are required to develop a process to ensure volunteers are preparing and/or quality reviewing returns based on their appropriate level of certification.
  - Site/local and/or back-up coordinators are required to be available while the site is in operation. Site/local and/or back-up coordinators may be available at the site, through phone or other electronic means.

For VITA/TCE tax law certification volunteers are required to certify at either the Basic or Advanced level. Based on the type or level of returns they will be preparing at their site, volunteers may take additional certifications.

- Volunteers must first certify at either Basic or Advanced level before taking these additional modules:
  - Foreign Student/Scholar
  - Health Savings Account
- Volunteers must first certify at the Advanced level before taking these additional modules:
  - Military
  - International

### 1. Volunteer Certification (continued)

- Puerto Rico
- Cancellation of Debt, if extended

**NOTE:** AARP requires its tax counselors to be certified at the Advanced level.

All IRS-tax law certified volunteers must have a passing score of 80% or above using one of the following methods:

1. IRS electronic test through Link & Learn Taxes.
2. IRS paper test, Form 6744, *VITA/TCE Volunteer Assistor's Test/Retest*.
3. Publication 4961, *Volunteer Standards of Conduct (Ethics)*.  
Publication 4961 is only used by volunteers using the paper test to take the VSC training or not certifying in tax law.

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## 1. Volunteer Certification (continued)

Listed below are volunteer positions and the required training/certification applicable for each position.

Required Training For Volunteer Positions				
Volunteer Position	Volunteer Standards of Conduct, Publication 4961	Site Coordinator Training, Publication 5088	Intake/Interview & Quality Review Training, Publication 5101	Tax Law Certification
Site Coordinator (SC)	Required	Required	Required	If SC prepares returns, corrects rejects, provides tax law assistance, or conducts quality reviews, the certification level is based on complexity of returns.
Instructor	Required	Not Required	Required	Required - Advanced level required or higher based on level of course instruction
Return Preparer	Required	Not Required	Required	Required – Basic level or higher based on complexity of returns prepared.
Quality Reviewer	Required	Not Required	Required	Required – Basic level or higher required based on complexity of returns reviewed.
Screeners (answers tax law questions)	Required	Not Required	Required	Required (Level is based on complexity of questions answered).
Greeter (does not answer tax law questions)	Required	Not Required	Not Required	Not Required

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### 1. Volunteer Certification (continued)

All SPEC Partners are required to submit a list of their volunteers using Form 13206, *Volunteer Assistance Summary Report*, or similar document containing the same information. The list should include volunteer names, position, their level of certification, and an indication that each volunteer has completed the Volunteer Standards of Conduct training, including passing all required tests with a score of 80% or higher. The list must also indicate the volunteer and partner's approving official must have signed and dated Form 13615, *The Volunteer Standards of Conduct Agreement – VITA/TCE Programs*, for every volunteer. The partner's approving official, as designated by the partner, could be the site coordinator, sponsoring partner, instructor, or IRS contact.

All partners are required to report their volunteers on Form 13206, *Volunteer Assistance Summary Report*, or similar listing containing the same information by February 3rd and the 3rd business day of each month as new volunteers report to the site to your SPEC relationship manager. Instruction for preparing a volunteer listing is included on Form 13206, *Volunteer Assistance Summary Report*.

**Note:** Refer to [www.irs.gov](http://www.irs.gov) Keyword Search, "Strengthening the Volunteer Programs" for more information on Volunteer Reporting and Certification Process.

#### Examples of noncompliance occur when:

- **One or more volunteers at the site have not completed the Volunteer Standards of Conduct Training, passed the test and/or are not certified in tax law:** Volunteers should complete the return they are currently preparing. The volunteers may not prepare any other returns until they are certified. Another IRS-tax law certified volunteer preparer is required to review the return for accuracy. Uncertified volunteers and their site coordinators should be directed to [Link & Learn](#) Taxes located on [www.irs.gov](http://www.irs.gov), for certification in the Volunteer Standards of Conduct and/or tax law. Form 6744, *VITA/TCE Volunteer Assistor's Test/Retest*, contains VSC and tax law certifications. Publication 4961, *VITA/TCE Volunteer Standards of Conduct (Ethics)*, contains only VSC training and certification test.
- **All volunteers at the site have not completed the Volunteer Standards of Conduct training, passed the test and are not certified in tax law:** The volunteers cannot prepare returns or perform quality reviews until they become certified. Allow the volunteers to complete the returns they are currently preparing, but they cannot prepare any other returns. Care should be given when informing the remaining taxpayers that the site will have to close for that day. An

### 1. Volunteer Certification (continued)

alternative to closing the site could be to solicit the assistance of IRS-tax law volunteer preparers from other sites. If this is not possible, the remaining taxpayers should be given other local VITA/TCE site locations that will assist them in their tax return preparation. The site cannot reopen until the volunteers are certified Volunteer Standards of Conduct and tax law at the appropriate level(s).

- **Volunteers are certified but the verification has not been provided to the partner/territory office:** If there are IRS-tax law certified volunteers, but verification has not been provided, the volunteer preparer or quality reviewer may be allowed to complete the return they are currently preparing or reviewing. Another IRS-tax law certified volunteer is required to review the return for accuracy. The volunteer may not prepare or quality review any other returns until verification is provided to the partner/territory office.
- **Volunteer preparers, quality reviewers, site coordinators, or instructors have not viewed Publication 5101, Intake/Interview and Quality Review Training:** Volunteer preparers, quality reviewers, site coordinators, and instructors are required to view Publication 5101. Refer volunteers to [www.irs.gov](http://www.irs.gov) to meet this requirement or contact the relationship manager for an electronic copy.

**Recommended Follow-up Action:** The relationship manager will initiate follow-up actions immediately, or within seven calendar days to ensure **all** volunteers have completed the Volunteer Standards of Conduct training and passed the test, are certified in tax law, and have viewed Publication 5101, if preparing or quality reviewing tax returns. Relationship manager may request written confirmation from the partner and/or site coordinator confirming that either uncertified volunteers have passed the required IRS testing and certified or the uncertified volunteers are no longer at the site. A due date should be established for receipt of written confirmation.

### 2) Intake and Interview Process

**All sites** are required to use Form 13614-C, *Intake/Interview & Quality Review Sheet*, for every return prepared by an IRS-tax law certified volunteer. All IRS-tax law certified volunteer preparers are required to use a correct Intake and Interview Process when preparing returns. To promote accuracy, this process must include an interview with the taxpayer while reviewing Form 13614-C and all supporting documents, prior to preparing the return. Whenever the taxpayer lists any person as a potential dependent on their return, the volunteer preparer is required to finish the "To be completed by Certified Volunteer" section on page one for each potential dependent.

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### 2) Intake and Interview Process (continued)

While completing the Intake and Interview Process, verify that the return is within the volunteer's certification level. If the return does not fall within the appropriate certification level, refer the taxpayer to another IRS-tax law certified volunteer preparer with the appropriate certification level or to another site that prepares returns at that certification level.

Partners may attach an addendum to the Form 13614-C to ask additional questions, but cannot create their own version of this form for use.

- Determining the certification level of the return and having a process for assigning returns to the appropriate volunteer preparer.
- Ensuring the return is within the scope of the VITA/TCE Programs.
- Verifying the identity of all taxpayers and spouses using photo identification.
- Confirming all social security numbers (SSN)/individual tax identification numbers (ITIN) using required taxpayer identification number documents for everyone listed on the tax return.
- Explaining to the taxpayer how to complete their part of Form 13614-C
- Reviewing all supporting documentation provided by the taxpayer (Forms W-2, 1099, payment receipts, etc.).
- Making filing status and dependency determinations by using the resource tools and, if applicable, completing the "To be completed by a Certified Volunteer Preparer" section for dependents listed on Form 13614-C.
- Explaining the tax preparation process that includes encouraging questions throughout the interview process.
- Exercising due diligence by using probing questions to ensure complete information is gathered.

### Due Diligence

All IRS-certified volunteers are required to exercise due diligence. This means, as a volunteer, you are required to do your part when preparing or quality reviewing a tax return to ensure the information on the return is correct and complete.

Doing your part includes; confirming a taxpayer's (and spouse if applicable) identity and providing top-quality service by helping them understand and meet their tax responsibilities.

Generally, as an IRS-certified volunteer, you can rely in good faith on information from a taxpayer without requiring documentation as verification. However, part of due diligence requires asking a taxpayer to clarify information that may appear to be inconsistent or incomplete. When reviewing information for its accuracy, you need to ask yourself if the information is unusual or questionable.

### 2) Intake and Interview Process (continued)

In addition, if an IRS-tax law certified volunteer is not comfortable with the information provided by a taxpayer, they are not obligated to prepare the tax return.

#### Additional Requirements for Virtual VITA/TCE

In addition to using Form 13614-C, the Virtual VITA/TCE model requires the use of Form 14446, *Virtual VITA/TCE Taxpayer Consent*. Virtual means the IRS-tax law certified volunteer is not face-to-face with the taxpayer during the interview and/or quality review process. The IRS-tax law certified volunteer and taxpayer communicate via phone, or other communication technology, during the interview/tax preparation and/or the quality review. Form 14446 provides a general overview of the Virtual VITA/TCE process, including:

- How taxpayer documentation will be shared with the Preparation and/or Quality Review site
- How the taxpayer will communicate with the Preparation and/or Quality Review site
- When the return preparation process will be completed

During the intake process the virtual procedures must be explained to the taxpayer and they must agree to participate in the non-traditional process. Form 14446 is signed and dated by the taxpayer and spouse, if applicable, and is shared with the IRS-tax law certified volunteers preparing and/or quality reviewing the return at the virtual location(s).

**Note:** Refer to [www.irs.gov](http://www.irs.gov) Keyword Search, "Strengthening the Volunteer Programs" or view Publication 5101 for more details on the Intake and Interview Process. For further clarification on Due Diligence refer to Publication 1084, *IRS Site Coordinator's Handbook*, or Publication 4299, *Privacy and Confidentiality-A Public Trust*.

#### A noncompliant issue occurs when:

The site is not using a correct Intake and Interview Process which includes an interview with the taxpayer while reviewing Form 13614-C; for Virtual VITA/TCE this includes not securing Form 14446. The reviewer will explain to the site coordinator the requirement to use a correct Intake and Interview Process for all returns prepared. To educate volunteers on components of a correct Intake and Interview Process, contact your relationship manager for a copy of Publication 5101 detailing Intake/Interview & Quality Review Process.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days after the initial review/visit to ensure that the site is using a correct Intake and Interview Process when preparing returns.

### 3) Quality Review Process

All site/local coordinators are required to have a correct Quality Review Process in place to verify all items listed on Form 13614-C in the “IRS Certified Volunteer Quality Reviewer Section” are correct. **A Quality Review Process includes a 100% review of all returns.**

All returns are required to be quality reviewed and discussed with the taxpayer. Reviews conducted by a designated reviewer or a peer-to-peer review comply with this requirement. The designated reviewer should be the most experienced IRS-tax law certified volunteer preparer at the site. **Self-review is not an approved method.** All quality reviewers are required to inform the taxpayer, that they are ultimately responsible for the information on their return.

Every site/local coordinator should ensure that a correct Quality Review Process is used to confirm that tax law was correctly applied and the tax return is free from error based on the taxpayer interview and the available supporting documents. A Quality Review Process must contain the following critical components for an effective and thorough quality review of all tax returns:

- Engaging the taxpayer’s participation in the quality review to solicit their understanding and agreement to the facts of the return.
- Using the complete Form 13614-C, *Intake/Interview & Quality Review Sheet*, supporting documentation, and other information provided by the taxpayer to confirm identity, exemptions, income, expenses, adjustments, deductions, credits, and payments were entered correctly on the return.
- Using available source documents to confirm identity (photo ID), income, expenses, credits, and deposit/debit information on the return. If income or expenses are listed on the return that do not require a source document and one was not provided, Form 13614-C should be documented to indicate taxpayer’s verbal response.
- Consulting tax law references (Publications 4012 and 17, Volunteer Tax Alerts, etc.), as necessary, to verify the accuracy of tax law determinations.
- Exercising due diligence by advising taxpayers of their ultimate responsibility for information on their return.

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### 3) Quality Review Process (continued)

#### A noncompliant issue occurs when:

Site/local coordinators do not have a correct quality review process in place which includes a discussion with the taxpayer, verification of the taxpayer's source documents, and review of Form 13614-C. The reviewer will explain the requirement for a correct Quality Review Process. To educate volunteers on components of a correct Quality Review Process, contact your relationship manager for a copy of Publication 5101 detailing Intake/Interview & Quality Review Process.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days after the initial review/visit to ensure that the site is using a correct Quality Review Process on all returns prepared.

### 4) Reference Materials

All sites are required to have **one copy** (paper or electronic) of the following reference materials available for use by IRS-certified volunteers:

- Publication 4012, *Volunteer Resource Guide*
- Publication 17, *Your Federal Income Tax for Individuals*

Site/local coordinators are required to have a process in place to ensure all Volunteer Tax Alerts or AARP Cyber Tax Messages have been reviewed and discussed with all IRS-certified volunteers, within five days after IRS issuance.

**Sites using TaxWise® or with Internet capabilities have electronic access to Publication 4012, Publication 17, Volunteer Tax Alerts, and Interactive Tax Assistant (ITA).**

The use of reference materials is an important key to producing an accurate return. As an example, a large number of errors in return preparation occur with the determination of filing status, dependency, and eligibility for tax credits. Each of these determinations can be made by following one of the flow charts or decision trees in Publication 4012. Encouraging IRS-tax law certified volunteer preparers to use these flow charts should be emphasized during training. Each site is required have key reference materials available to help foster the use of these resources.

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### 4) Reference Materials (continued)

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#### A noncompliant issue occurs when:

Reference materials are not available for use by IRS-certified volunteers. The reviewer should immediately assist the site/local coordinator with downloading the reference materials from TaxWise or from irs.gov. Contact your relationship manager to assist the site with ordering and accessing the products.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days to verify that reference materials are available for use by IRS-certified volunteers. If reference materials are not available to the IRS-certified volunteers, this situation should be elevated to the SPEC local territory for resolution.

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### 5) Volunteer Agreement

**All** volunteers (site/local coordinators, certified volunteer preparers, quality reviewers, greeters, screeners, client facilitators, etc.) are required to complete Volunteer Standards of Conduct (VSC) training, **annually**, including passing the test, and certify to their adherence by signing and dating Form 13615, *The Volunteer Standards of Conduct Agreement –VITA/TCE Programs*, prior to working at a VITA/TCE site. In addition, Form 13615 is required to be certified (signed and dated) by the partner's approving official. This approving official could be site/local coordinator, sponsoring partner, instructor, or IRS contact, as designated by the partner. This validates the partner's approving official has verified the volunteers' identity, the volunteer has completed the required IRS certification test(s), and the volunteer has signed and dated Form 13615, before the volunteer can work at the site.

By signing and dating Form 13615, volunteers are agreeing to the following standards and must:

- Follow the Quality Site Requirements (QSR).
  - Not accept payment or solicit donations for federal or state tax return preparation.
  - Not solicit business from taxpayers I assist or use the knowledge I gained (their information) about them for any direct or indirect personal benefit for me or any other specific individual.
  - Not prepare false returns.
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### 5) Volunteer Agreement (continued)

- Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.
- Treat all taxpayers in a professional, courteous, and respectful manner.

AARP will complete a document similar to Form 13206. They will send a unified list of volunteer certifications containing the same information as requested on Form 13206. However, AARP is required to secure Form 13615 from all volunteers and the list should show each volunteer has signed and dated their agreement.

Copies of Form 13615 or Form 13206 (or partner-created form) containing the same information, should be available at the partner or site location for every volunteer at the site to verify agreement and adherence to the Volunteer Standards of Conduct.

If these forms are not available at the site, the site/local coordinator is required to have a method in place to track and provide this information.

**Note:** Refer to Publication 1084, *IRS Volunteer Site Coordinator's Handbook*, for more information or Publication 4961, *Volunteer Standards of Conduct (Ethics) Training*, for additional training.

#### Examples of noncompliance occur when:

- Form 13615 has not been signed and dated by the volunteer and partner's approving official prior to the volunteer working at the site. The reviewer will request written verification from the territory manager for any Forms 13615 not signed and dated by the volunteer and partner organization, for volunteers working at the site. Site/local coordinators are encouraged to contact their partner to verify Form 13615 was signed and dated by all volunteers and the partner's approving official. If volunteers completed training on Link & Learn Taxes, Form 13615 can be retrieved and electronically signed and dated by the volunteer. The approving official must certify (sign and date) Form 13615, verifying the volunteers' identity, they've completed the required Volunteer Standards of Conduct training, including passing the test, before the volunteer can work at the site.
- A VITA/TCE site and/or IRS-certified volunteer engages in conduct or an activity that violates the Volunteer Standards of Conduct Agreement and the site or sponsoring organization fails to comply with these standards, the consequences may include:



### 5) Volunteer Agreement (continued)

- Terminating the partnership between the IRS and sponsoring organization;
- Discontinuing IRS support;
- Revoking or retrieving the sponsoring organization's grant funds;
- Deactivating IRS EFIN;
- Removing all IRS products, supplies, and loaned equipment from the site;
- Removing all taxpayer information;
- Disallowing use of IRS-SPEC logos; and
- Holding partner responsible for stolen refunds or other losses due to fraudulent acts at a site.

Volunteer Standards of Conduct violations/inappropriate activities may be reported by IRS-certified volunteers, taxpayers or others visiting the site by using the external referral process. To report unethical behavior e-mail IRS at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov) or call toll free 1-877-330-1205. Site/local coordinators and partners are encouraged to contact their relationship manager to report violations/inappropriate activities. Publication 4836 (EN/SP), *VITA and TCE Free Tax Preparation Program*, provides instructions for reporting violations/inappropriate activities.

Publication 4836 (EN/SP), *VITA and TCE Free Tax Programs*, is required to be **displayed at the site**, in a visible location, to facilitate awareness of the opportunity to make a referral. Form 13614-C, *Intake/Interview & Quality Review Sheet*, and Publication 730, *Important Tax Records Envelope*, also include the toll free number and e-mail address.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days to ensure Form(s) 13615 have been completed, signed, and dated by the volunteer(s) and certified (signed and dated) by the partner's approving official and request written confirmation. A due date should be established for receipt of written confirmation.

The relationship manager and/or territory manager are required to address any inappropriate actions or VSC violations with the site/local coordinator and/or partner.

Continued on the next page

### 6) Timely Filing of Tax Returns

**Timely Filing:** All sites are required to have a process in place to ensure every return is electronically filed or delivered to the taxpayer in a timely manner.

For e-filed returns, Form 8879, *IRS e-file Signature Authorization*, is required to be signed by the taxpayer and their spouse, if applicable, which gives the site permission to e-file their tax return. IRS requires this form to be maintained for three years by the partner; however, VITA/TCE sites received a waiver for the three-year retention requirement for Form 8879 and supporting documents.

Based on this waiver, all VITA/TCE sites are required to secure the taxpayer's and spouse's signature on Form 8879. In addition, the signed Form 8879 is required to be given to the taxpayer along with a copy of their tax return. Without a signed Form 8879, the site does not have permission to e-file nor does it provide evidence to show taxpayers had the opportunity to read the important declaration prior to submitting the e-filed tax return. If taxpayer(s) use a Self-select PIN, Form 8879 is not required.

Partners choosing to maintain Forms 8879, and the supporting documents (even though it is not required), can do so as long as they are properly secured and properly destroyed no later than the three year anniversary date. These documents must not be sent to any IRS offices.

Actions required to ensure timely filed returns include:

- Ensuring that stockpiling of returns does not occur at the site. Stockpiling refers to waiting more than three calendar days to submit the return to the IRS once the site has all necessary information to e-file the return.
- Retrieving acknowledgements timely (preferred within 48 hours of transmission).
- Promptly working rejects that can be corrected by the volunteer.
- Timely notifying taxpayers (attempted within 24 hours) if rejects cannot be corrected.
- Providing the taxpayer with a completed return along with the correct processing center mailing address (for paper returns).
- Promptly notifying taxpayers if any other problems are identified with return processing.

An attempt should be made to work all rejects as soon as possible. The TaxWise® Reject Report can be used as a tool to ensure all rejects have been corrected.

### 6) Timely Filing of Tax Returns (continued)

Reasonable attempts are required to be taken to inform the taxpayer within 24 hours if a reject cannot be corrected, or if the changes made exceed the following dollar limits, which means the taxpayer(s) are required to sign the corrected Form 8879 or paper return:

- \$50 to “Total Income” or “AGI” or
- \$14 “Total Tax”, “Federal Income Tax Withheld”, “Refund” or “Amount You Owe”.

Refer to the following:

- Publication 1345, *Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns*, and Publication 3189, *Volunteer e-file Administration Guide*, for further guidance on working rejects.
- Publication 3189, *IRS e-file Administration Guide*, as a resource guide to assist volunteer e-file administrators in implementing the correct electronic filing procedures at volunteer *e-file* sites.
- IRS.gov for Publication 17 and/or Form 1040 instructions for Submission Processing Center addresses for paper returns.

#### Examples of noncompliance occur when:

The site/local coordinator does not have a process in place for:

- Taxpayer(s) to sign Form 8879.
- Timely submission of electronic returns.
- Timely retrieving acknowledgements.
- Promptly working rejects.
- Timely contacting taxpayers with unresolved rejects.
- Providing taxpayers with the correct mailing addresses.
- Promptly notifying taxpayers of problems concerning timely return processing.

The reviewer will explain to the site/local coordinator the correct procedures for timely filing of returns. Site/local coordinators and partners are encouraged to contact your relationship manager to assist with instructions on timely filing of tax returns.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days, to confirm the processes for timely filing returns are understood and being followed.

### 7) Civil Rights

Title VI of the Civil Rights Act of 1964 information is required to be displayed or provided to taxpayers at all VITA/TCE sites, at the first point of contact between the IRS-certified volunteer and the taxpayer even if a return is not completed.

All VITA/TCE sites are required to display a **current** Publication 4053 (EN/SP), *Your Civil Right are Protected* or a **current** D143, *AARP Foundation Tax-Aide*, poster. These posters provide site's IRS-certified volunteers and taxpayers with contact information to report discriminatory treatment. If a taxpayer or IRS –certified volunteer has a Title VI complaint, they must be referred to the contact information on Publication 4053 (EN/SP). If they request the information in writing, provide them with Publication 4454, *Your Civil Rights are Protected*, if available.

Publication 4454, *Your Civil Rights are Protected*, brochure, is an optional product designed to notify taxpayers of their civil rights when tax preparation services cannot be offered, i.e. lack of information to prepare return, return not within scope of the VITA/TCE Programs, etc.).

Using Publication 730, *Important Tax Records Envelope (VITA/TCE)*, and/or the AARP Envelope as the source for notifying the taxpayers of their Title VI rights **is not acceptable**. These products only provide information to the taxpayer who receives service, not the taxpayer who is denied service.

#### A noncompliant issue occurs when:

The required Civil Rights **product is not displayed** at the site. The reviewer will immediately provide the site/local coordinator with Publication 4053 (EN/SP), *Your Civil Rights are Protected*, or have them contact their relationship manager to assist in ordering necessary products.

If an AARP site does not have a current D143, *AARP Foundation Tax-Aide*, the reviewer will provide them with a copy of Publication 4053 (EN/SP). AARP sites may secure D143, *AARP Foundation Tax-Aide*, from their state coordinator.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days to verify that a current Publication 4053 (EN/SP) or D143 is displayed at the site.

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### 8) Correct Site Identification Number (SIDN)

It is critical that the correct **Site Identification Number (SIDN)** is reported on **ALL** returns prepared by VITA/TCE sites.

E-file administrators should set computer defaults and templates to ensure the correct Site Identification Number (SIDN) automatically appears on each tax return. Refer to Publication 3189, *Volunteer e-file Administration Guide*, for information on setting defaults.

#### A noncompliant issue occurs when:

The Site Identification Number is missing or is incorrect on tax returns prepared at the site. If an incorrect SIDN or no SIDN is discovered, then all non-networked computers and non-transmitted returns should be reviewed.

The reviewer will provide the correct Site Identification Number, assist in setting the correct defaults/templates, and educate the site/local coordinator on the importance of using the correct Site Identification Number on ALL returns prepared by the site. Site/local coordinators should review Publication 3189 on setting the defaults and where to include the SIDN on the returns. The territory/relationship manager should be notified immediately.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days, to confirm the site is using the correct Site Identification Number. The relationship manager will review weekly reports to verify return preparation is being reported using the correct Site Identification Number. Tax returns prepared using the incorrect Site Identification Number cannot not be corrected.

### 9) Correct Electronic Filing Identification Number (EFIN)

The correct **Electronic Filing Identification Number (EFIN)** is required to be used on every return prepared.

All applicants are required to use the online IRS e-file application process located in e-Services to apply for an Electronic Filing Identification Number or update an application. A separate Electronic Filing Identification Number is required for each physical location. E-file administrators should set the computer defaults to ensure the correct Electronic Filing Identification Number automatically appears on the tax return. Refer to Publication 3189, *Volunteer e-file Administration Guide*, for further EFIN procedures.

**Sites with an internet connection have access to Publication 3189 at [www.irs.gov](http://www.irs.gov).**

### 9) Correct Electronic Filing Identification Number (EFIN) (continued)

#### A noncompliant issue occurs when:

The site is using an incorrect Electronic Filing Identification Number. If an incorrect Electronic Filing Identification Number is discovered, then all non-networked computers should be reviewed and corrected. The reviewer will provide the correct Electronic Filing Identification Number and assist the site/local coordinator in setting the correct defaults. The reviewer should advise the site/local coordinator to contact TaxWise® immediately for instructions on re-setting EFINs on returns prepared but not transmitted.

If the site is using TaxWise software and incorrectly use an Electronic Filing Identification Number that does not meet one of the three acceptable exceptions, the reviewer should immediately notify the territory/relationship manager. The reviewer should advise the site/local coordinator of the licensing agreement, explain that the software cannot be used to prepare returns, and advise that the site is required to refer the taxpayers to another site.

#### Recommended Follow-up Action:

The relationship manager will initiate follow-up actions immediately, or within seven calendar days, to confirm the site is using a valid and correct Electronic Filing Identification Number. The responsible official should check the Registered User Portal (RUP) through the [www.irs.gov](http://www.irs.gov) website for the correct Electronic Filing Identification Number. If the site's EFIN is invalid, the relationship manager will work with the partner and site/local coordinator to resolve any issues with the Electronic Filing Identification Number or provide instructions to the responsible official to apply for a new Electronic Filing Identification Number.

### 10) Security, Privacy & Confidentiality

All Security, Privacy & Confidentiality guidelines outlined in Publication 4299, *Privacy and Confidentiality—A Public Trust*, are required to be followed.

#### Security, Privacy & Confidentiality Guidelines:

Publication 4299, serves as the central document for providing guidance on securing individual information shared by taxpayers, IRS-certified volunteers, and partners as well as guidance on protecting the privacy of taxpayers', IRS-certified volunteers', and partners' individual information. A copy (paper or electronic) of this publication should be available at every site and used when referring to Security, Privacy & Confidentiality.

Continued on the next page

### 10) Security, Privacy & Confidentiality (continued)

The key principles are:

- Partners and IRS-certified volunteers are required to protect physical and electronic data gathered for tax return preparation both during and after the filing season.
- Partners and IRS-certified volunteers are required to delete taxpayer information on all computers (both partner owned and IRS loaned) after filing season tax return preparation activities are completed.
- Partners and IRS-certified volunteers are required to keep confidential the information provided by taxpayers for tax return preparation.
- Partners and site/local coordinators are required to keep confidential any personal IRS-certified volunteer information provided.
- Partners with a need to retain and use taxpayer information (for purposes other than return preparation) are required to follow Internal Revenue Code (IRC) Section 7216 procedures in Publication 4299 for securing a taxpayer-signed consent before tax return information can be disclosed to any third party or used for any purpose other than filing the return.

Unique user names are strongly encouraged; however, if not used, partners **are required** to have a process in place to identify every IRS-tax law certified volunteer that prepared or made changes to a tax return. The volunteer's access privileges should be **limited** to the activities necessary to perform their volunteer role. For instance, a return preparer should not be assigned Administrative or SuperUser rights.

By default, TaxWise Desktop assigns all new user names to the SuperUser group. If an IRS-certified volunteer does not require software privileges associated with the SuperUser group, it must be changed to the appropriate level of access needed. It is highly recommended that site/local coordinators assign IRS-certified volunteers the lowest level "ROLE" necessary for each particular user.

To prevent identity theft behavior at all VITA/TCE sites **all** IRS-certified volunteers are required to:

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### 10) Security, Privacy & Confidentiality (continued)

- Wear name identifications, at a minimum that includes the volunteers' first name and the first letter of their last name. This can include a work ID, AARP name badges, IRS Badge Stickers, or similar products. Form 14509, *Volunteer ID Insert*, is an optional product developed for IRS-certified volunteers. The ID badge does not need to be updated annually unless the information on the ID badge has changed. However, wearing identification no longer serves as proof of certification.

Additional resources for Security, Privacy and Confidentiality guidelines include:

- Publication 4600, *Safeguarding Taxpayer Information*
- Publication 4473, *IRS Computer Loan Program Welcome Package*
- Publication 4390, *VITA/TCE Computer Loan Program*
- Publication 1345, *Handbook for Authorized IRS e-file Providers*

#### **A noncompliant issue occurs when:**

Taxpayer information is not appropriately destroyed or properly retained and protected, or when the privacy of taxpayers', IRS-certified volunteers', and partners' individual information is not protected. The reviewer should explain the appropriate procedures as outlined in Publication 4299 and assist the site/local coordinator with downloading Publication 4299 from [www.irs.gov](http://www.irs.gov).

#### **Recommended Follow-up Action:**

The relationship manager will initiate follow-up actions immediately, or within seven calendar days to ensure all security, privacy, and confidentiality guidelines outlined in Publication 4299, are followed.



## Summary

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The purpose of the Quality Site Requirements (QSR) is to ensure quality and accuracy of return preparation and consistent operation of sites. SPEC employees are required to communicate to all IRS-certified volunteers and partners to ensure IRS and partner mutual objectives are met.

The 10 requirements were updated as followed to ensure taxpayers visiting VITA/TCE sites receive quality service and accurate return preparation:

QSR # 1 – Certification – updated to add:

- Military partners are now permitted to report their volunteer count at the site level.

QSR # 2 – Intake and Interview Process – updated to add:

- Formatted all pages of Form 13614-C to landscape and increased the font size.
- A new question was added to Form 13614-C to assist with filing same sex married couple (SSMC) state returns for states that do not allow SSMC joint tax returns.
- A new section was added to address the Affordable Care Act.

QSR # 3 – Quality Review Process – no updates.

QSR # 4 – Reference Materials – no updates.

QSR # 5 – Volunteer Agreement – no updates.

QSR # 6 – Timely Filing – no updates.

QSR # 7 – Civil Rights - no updates.

QSR # 8 – Site Identification Number (SIDN) – no updates.

QSR # 9 – Electronic Filing Identification Number (EFIN) – no updates.

QSR # 10 – Security, Privacy, and Confidentiality – no updates.

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## Summary Exercises

### Summary Exercise 1-1

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What is the first date Form 13206, Volunteer Assistance Summary Report, or similar listing containing the same information must be sent to your SPEC relationship manager?

Answer:

- A. February 1st
- B. February 3rd
- C. April 15th
- D. All of the above

### Summary Exercise 1-2

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What is the required training for Screeners who answers tax law questions?

Answer:

- A. Volunteer Standards of Conduct
  - B. Site Coordinator
  - C. Tax Law Certification
  - D. Both A and C
  - E. All of the above
-

## Answers to Summary Exercises

### Summary Exercise 1-1

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What is the first date Form 13206, Volunteer Assistance Summary Report, or similar listing containing the same information must be sent to your SPEC relationship manager?

Answer:

- A. February 1st
- B. February 3rd**
- C. April 15th
- D. All of the above

All partners are required to report their volunteers on Form 13206, Volunteer Assistance Summary Report, or similar listing containing the same information by February 3rd and the 3rd business day of each month as new volunteers report to the site to your SPEC relationship manager.

### Summary Exercise 1-2

---

What is the required training for Screeners who answers tax law questions?

Answer:

- A. Volunteer Standards of Conduct
  - B. Site Coordinator PowerPoint
  - C. Tax Law Certification
  - D. Both A and C**
  - E. All of the above
-

# Lesson 2

## Policy Changes and Procedures

### Overview

This lesson contains the following topics:

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### Additional References



- Publication 1084, *Site Coordinator's Handbook*
- Fact Sheet - Amended & Prior Year Return Preparation
- Publication 5166, *Quality Site Requirements*

#### **Information from Social Security Administration at [www.ssa.gov](http://www.ssa.gov):**

- Publication No. 05-10540, *How To Create An Online Account*
- Publication No. 05-10002, *Your Social Security Number And Card*
- Publication No. 05-10121, *What You Can Do Online*

### Introduction

SPEC is committed to providing the best service to all taxpayers by preparing the highest quality returns in a consistently ethical manner that maximizes use of available resources.

The mission of Oversight, Products, and Quality (OPQ) is to plan, manage, evaluate, and direct the activities of the Volunteer Income Tax Assistance (VITA) and the Tax Counseling for the Elderly (TCE) Programs. The Quality Program Office (QPO) oversees the quality process including return preparation accuracy and consistency in site operations.

Feedback from the Partner Survey and results from Quality Statistical Sample (QSS) Reviews, SPEC Shopping Reviews, and Field Site Visits (FSV) were used to identify training topics this filing season.

### Objectives

At the end of this lesson, you will be able to:

1. Increase QSR compliance.
2. Identify Volunteer Standards of Conduct violations.
3. Identify changes in Social Security Administration services.
4. Determine the revised SPEC policy for prior year and amended returns.

## Lessons Learned for Filing Season 2014

### Lessons Learned

Filing Season (FS) 2014 oversight review (QSS, SPEC Shopping, and FSV) results identified the need to strengthen all volunteer awareness of adhering to the Quality Site Requirements (QSR). VITA/TCE volunteers and partners needed additional training on the QSR and requested additional support from the IRS and/or their SPEC relationship managers. As SPEC continues to improve the QSR, changes are not effectively communicated to all VITA/TCE volunteers. Based on this, Quality Program Office is recommending we revisit our partners' training needs and provide support to increase understanding of SPEC's quality processes.

During QSS reviews, site/local (SC/LC) coordinators, and IRS-tax law certified volunteers are still having difficulty understanding and completing the Intake and Interview and Quality Review Processes.

### Quality Statistical Sample (QSS) Reviews

The most common noncompliant QSR identified during QSS reviews were:

Quality Site Requirements:	Issue:
QSR#2: Intake and Interview Process	Some sites prepared the tax return without reviewing Form 13614-C, <i>Intake/Interview &amp; Quality Review Sheet</i> , during the interview; using an incomplete Form 13614-C; and not using Form 13614-C to prepare all returns.
QSR#3: Quality Review Process	Some sites were conducting self-reviews, reviewing returns with an incomplete Form 13614-C, not including the taxpayer in the quality review, not comparing source documents to the return, and not conducting quality review on 100% of returns.
QSR#10: Security, Privacy, and Confidentiality	Some sites were not verifying taxpayer/spouse identity using a photo ID and using the required Taxpayer Identification Number documents to verify social security/individual taxpayer identification numbers.

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### Field Site Visits (FSV)

During Field Site Visits (FSV) the same noncompliant issues in QSR #3, as previously stated, were identified. In addition, some site/local (SC/LC) coordinators did not have a process in place to identify out of scope topics. Site/local coordinators must ensure returns are assigned to an IRS-tax law certified volunteer's appropriate certification level.

Additional noncompliant QSR identified during Field Site Visits were:

Quality Site Requirements:	Issue:
QSR#6: Timely Filing of Tax Returns	Some sites were not securing taxpayer and spouse signatures on Form 8879, <i>IRS e-file Signature Authorization</i> , and not advising taxpayers that they are responsible for the information on their tax return.
QSR#7: Civil Rights	Some sites did not have notification of Title VI of the Civil Rights Act of 1964, Publication 4053 (EN/SP), <i>Your Civil Rights are Protected</i> , or a current D143, AARP Foundation Tax-Aide product, displayed at the first point of contact between the IRS-certified volunteer and the taxpayer even if a return was not completed.
QSR#10: Security, Privacy, and Confidentiality	Some sites were not verifying taxpayer/spouse identity using a photo ID, using the required Taxpayer Identification documents to verify social security/individual taxpayer identification numbers, and the SC/LC did not have a process in place to identify every IRS-tax law certified volunteer that prepares, corrects, or changes a tax return.

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### SPEC Shopping Reviews

During SPEC Shopping Reviews, the Intake/Interview and Quality Review Processes were identified as areas needing improvement. The most common noncompliant QSR identified during SPEC Shopping Reviews were:

Quality Site Requirements:	Issue:
QSR#2: Intake and Interview Process	Some sites prepared the tax return without reviewing all the answers on Form 13614-C and interviews were not conducted prior to entering the return in the tax preparation software.
QSR#3: Quality Review Process	Some sites did not discuss the answers on Form 13614-C with the shopper and compare source documents to the tax return. As a result, information on Form 13614-C was not transferred to the tax return.
QSR#6: Timely Filing of Tax Returns	Some sites were not advising the shopper that they are responsible for the information on their tax return.

Other areas of improvement identified during oversight reviews included:

- Recognizing and reporting violations of the Volunteer Standards of Conduct
- Heightening awareness of external referral process by displaying Publication 4836, *VITA/TCE Free Tax Programs*, (VolTax poster)
- Advising taxpayers that they are responsible for the information reported on their tax return (due diligence)
- Ensuring both taxpayer and their spouse sign Form 8879, *IRS e-file Signature Authorization*

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### Volunteer Standards of Conduct (VSC) Violations

Training on VSC violations as outlined in Publication 4961, *Volunteer Standards of Conduct (Ethics) Training*, on Link & Learn Taxes included the External Referral Process. During filing season 2014 violations to the Volunteer Standards of Conduct identified during oversight reviews included:

- Donation jars were located in the waiting and tax preparation area
- Tax law determinations were ignored, and
- Unprofessional behavior displayed by an IRS-certified volunteer

A violation of VSC # 1, Follow the Quality Site Requirements, is the most common and misunderstood. This indicates there is a need for additional training and more discussion about when a violation of VSC #1 occurs. A violation of VSC #1 only occurs if a site/local coordinator and/or IRS-certified volunteer **refuses to correct** the noncompliant Quality Site Requirement.

#### Example 1:

While conducting a partner review, you learn there is only one person at the site. This one person site is conducting self-reviews. You advise the IRS-tax law certified volunteer that self-review is an unapproved process for conducting quality reviews. You inform the volunteer of the Virtual VITA/TCE Quality Review Process (discussed later) or the need to recruit another volunteer. You have educated the volunteer on how to comply with QSR #3, *Quality Review Process*. Because the volunteer agrees to follow the correct Quality Review Process, this is not a violation of VSC #1, *Follow the Quality Site Requirements (QSR)*.

**NOTE: VSC #1 is the only standard that can be corrected and not reported as a violation. If the site/local coordinator/volunteer agrees to correct the noncompliance QSR, it should not be reported as a violation.**

#### Example 2:

While conducting a partner review, you notice a donation container in the tax preparation area. You inform the SC/LC that this is a violation to the VSC #2, *Not accept payment or solicit donation for federal or state tax return preparation*. The SC/LC agrees to remove the donation container. Although the SC/LC removes the tip container, this is still a violation of VSC #2 and should be reported to your SPEC relationship manager and/or use the External Referral Process.

### Quality Updates

Based on lessons learned in the 2014 filing season the following changes were implemented to improve oversight of the VITA/TCE Programs:

- Developed a new Filing Season Readiness Partner Training Guide.
- Approved to offer Continuing Education (CE) credits for Enrolled Agents and Other Tax Return Preparers that volunteer as Instructors, tax return preparers, and Quality Reviewers.
- Form 14446, *Virtual VITA/TCE Taxpayer Consent*, has been updated to include the return drop-off process. All sites using the Virtual VITA/TCE process must secure a consent form from every taxpayer.
- Simplified the processes for prior year and amended tax returns allowing sites to increase productions for preparing these returns.
- Updated the policy to ensure site/local and/or back-up coordinators, who have completed the required training, are available via phone, e-mail, or in person, while the site is in operation.
- Revised the policy to ensure partners and site/local coordinators elevate all Volunteer Standards of Conduct (VSC) violations identified during site operations using the external referral process by e-mailing IRS at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov) or calling toll free 1-877-330-1205.
- Created policy for ITIN taxpayers filing Form 1099-R with a social security number that is not theirs. Those returns must now be filed as paper tax returns.
- Updated the process for Form W-2, *Wage and Income Statement*, without a taxpayer identification number (SSN or ITIN) in **box 'a'** is considered invalid. Returns cannot be prepared with these documents.

### Purpose

SPEC conducts Field Site Visits (FSVs) at Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) tax preparation sites to provide oversight of volunteers and site operations. These FSVs are face to face visits. SPEC Territory Offices are required to visit a minimum number of volunteer tax preparation sites each year with every site visited within a four year span to:

- Determine if the site is adhering to Quality Site Requirements (QSR).
- Ensure volunteers are adhering to Volunteer Standards of Conduct (VSC).
- Promote the relationships between the IRS and its partners.

For filing season 2015, the local territory office tax consultants will also perform one return review during each face to face Field Site Visit.

The Remote Site Visits were developed to provide oversight to sites within territory offices which Field Site Visits cannot be conducted due to the distances that would need to be traveled. To conduct a Remote Site Review, the tax consultant (TC), not necessarily relationship manager of the site, will contact the site/local coordinator to arrange a meeting. The meeting could be scheduled when the site/local coordinator is not busy at the site and would be conducted via the telephone.

Remote Site Visits can provide several benefits that include:

- Serving as an alternate way to accomplish the goal to ensure quality service to all taxpayers.
- Ensuring SPEC can continue to focus on maintaining quality standards as well as the highest level of quality customer service especially when the travel budgets are limited and/or reduced.
- Providing oversight opportunities to the sites that do not require or would otherwise not receive a physical Field Site Visit.
- Reducing partner burden by accommodating partner's schedules when scheduling the review.
- Screening sites to determine if a physical Field Site Visit is warranted.
- Promoting quality improvement opportunities through education and awareness.

Tax consultants (TC) will use Form 6729-D, *Remote Site Review Sheet*, to record the results of the Remote Site Review. TC will schedule the review at a time that best accommodates partner/site needs, thereby reducing partner burden.

**For Example:** A Remote Site Review can be conducted when the site is closed. The site/local coordinator will have more time to give the tax consultant conducting the review.

### Remote Site Review Selection

Territories will select sites for Remote Site Reviews using the following criteria:

- Established sites with experienced site/local coordinators
- Multiple sites operated by the same site/local coordinator who has had a face to face review (with no issues identified) at another location
- Other sites which have been previously reviewed with no issues identified
- E-file sites with low reject rates
- Sites which have not previously had a Remote Site Review in the last four years
- Use of TaxWise Online is preferred, but not required
- Sites without any time of review in the last four years
- Sites located a distance from the territory
- Territory Manager's discretion

### Conducting Remote Site Reviews

To conduct a Remote Site Review (RSR), the local tax consultant, not necessarily the assigned relationship manager (RM) would contact the site/local coordinator for the VITA/TCE site. Once tax consultant (TC) identifies him/herself, the TC will then ask a series of questions about the site and site operations.

Most RSR should be conducted between February 1 and April 15. However, reviews could be conducted throughout the course of the year for sites open after April 15.

The Territory Manager will make the determination on who will conduct remote site reviews. If the Territory Manager assigns the Remote Site Review to a TC other than the assigned relationship manager, the TC will provide immediate verbal feedback to the assigned relationship manager. Feedback includes providing positive comments and/or reporting any identified problem areas and providing recommended corrective actions.

When a Remote Site Review reveals a non-compliant issue with site operations, the TC should discuss the issue and its resolution with the site/local coordinator prior to concluding the review.

Findings related to any of the QSR should be resolved using the QSR corrective actions guidance.

### Follow-Up Review

A follow-up Field Site Visit (face to face) may be required to ensure adherence to an identified non-compliant issue. These follow-up visits will provide additional assistance to site/local coordinators and provide an opportunity to improve site operations or adopt other best practices. These follow-up visits will be conducted as soon as possible after the initial remote site review.

Continued on the next page

## Volunteer Standards of Conduct

### Volunteer Standards of Conduct (VSC) Compliance

The integrity of the VITA and TCE Programs depends on maintaining public trust. All taxpayers using VITA/TCE services should be confident they are receiving accurate return preparation and quality service. All volunteers are responsible for providing the highest quality and best service to taxpayers.

Sponsoring partners are responsible for ensuring all VITA/TCE volunteers (whether paid or unpaid workers) complete the Volunteer Standards of Conduct Training and pass the test with a score of 80% or higher. All IRS-certified volunteers are required to sign and date Form 13615, *Volunteer Standards of Conduct Agreement*, prior to working at a VITA/TCE site. The training can be found in Publication 4961, *VITA/TCE Volunteer Standards of Conduct – Ethics Training*, and on Link & Learn Taxes. This form is not valid until the site coordinator, sponsoring partner, instructor, or IRS contact confirms the volunteer's identity, and signs Form 13615.

Volunteers in the VITA/TCE Programs must:

1. Follow the Quality Site Requirements (QSR).
2. Not accept payment or solicit donations for federal or state tax return preparation.
3. Not solicit business from taxpayers they assist or use the knowledge they gained (their information) about them for any direct or indirect personal benefit for volunteer or any other specific individual.
4. Not knowingly prepare false returns.
5. Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.
6. Treat all taxpayers in a professional, courteous, and respectful manner.

Failure to comply with these standards could result in, but is not limited to, the following:

- Removal from all VITA/TCE Programs;
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activities indefinitely;
- Deactivation of the sponsoring partner's site VITA/TCE EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from the site;

### Volunteer Standards of Conduct (VSC) Compliance (continued)

- Termination of the sponsoring organization's partnership with the IRS;
- Termination of grant funds from the IRS to the sponsoring partner; and
- Referral of the volunteer's conduct for potential Treasury Inspector General for Tax (TIGTA) and criminal investigations.

If partners, volunteers, site coordinators, or taxpayers, identify potential problems at the partner, site, or volunteer level that they feel may require additional, independent scrutiny, they can report them using the external referral process discussed later.

### Volunteer Registry

When a VITA/TCE site or IRS-certified volunteer engages in conduct or an activity that violates the Volunteer Standards of Conduct (VSC) Agreement and commit certain egregious unethical actions, they will be removed from the VITA/TCE Programs indefinitely. An egregious action is a flagrant disregard of the Volunteer Standards of Conduct. Volunteers or partners performing egregious activities are barred from participating in the VITA/TCE Programs. If barred, they may be added to the Volunteer Registry. Only the SPEC Director can request volunteers or partners to be added to the Volunteer Registry.

### External Referral Process

SPEC has processes in place to help deter opportunities for fraudulent behavior through increased IRS visibility at VITA and TCE sites. Additionally, volunteers and site/local coordinators must understand the process of posting proper signs to alert taxpayers of the process to report improper activity. These processes provide reasonable assurance that intentionally unethical or illegal acts are not occurring at sites.

The external referral process provides a toll free phone number and e-mail address where volunteers and taxpayers have the opportunity to contact the IRS should they want to report site operating issues or unethical behavior witnessed at sites. Volunteers and taxpayers can call toll free 1-877-330-1205 or send an e-mail to [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov). The toll free number is only operational January through May.

Publication 4836, *VITA and TCE Free Tax Programs*, is required to be displayed at the site in a visible location to facilitate awareness of the opportunity to report unethical behavior. Form 13614-C, *Intake/Interview & Quality Review Sheet*, and Publication 730, *Important Tax Records Envelope*, also include the toll free number and e-mail address.

Continued on the next page

### External Referral Process (continued)

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It is critical IRS-certified volunteers and taxpayers immediately report any suspected questionable behavior. The IRS will investigate the incidents reported on the VolTax toll free number and the e-mail address to determine what events occurred and what actions need to be taken. In addition, the reported violations should be shared with the sponsoring partner and local SPEC territory office.

Taxpayers and tax preparers who violate tax law are subject to civil and criminal penalties. Any person who willfully aids or assists in, procures, counsels, or advises the preparation of a false or fraudulent return is subject to criminal punishment.

For more detailed information on the VSC refer to Publication 1084, *Site Coordinator's Handbook*, and for volunteer Ethics Training refer to Publication 4961, *VITA/TCE Volunteer Standards of Conduct – Ethics Training*.

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Continued on the next page

## Prior Year and Amended Returns

### Tax Assistance Centers

Tax Assistance Centers (TAC) no longer provide tax return preparation services, including preparation of prior year and amended returns. TAC offices prepared about 80,000 returns for nearly 70,000 taxpayers in 2013, of which approximately 15,000 were prior year returns. This situation has created an opportunity for VITA/TCE partners to offer a valuable service to many eligible taxpayers in their community. In support of this opportunity, SPEC has made significant policy changes and has initiated strategies to enhance partners' abilities to help eligible taxpayers meet their tax obligations to file delinquent returns.

Experienced VITA/TCE sites with the necessary software and reference materials are encouraged to prepare prior year tax returns that are within three years of the current tax year. Preparing returns beyond three prior years is permitted if a site has the necessary software and reference materials. If the taxpayer needs to file a prior year return and the site is unable to provide assistance, the taxpayer can be referred to another site that does prepare prior year returns or to a professional return preparer.

VITA/TCE site/local coordinators should no longer refer taxpayers to their local IRS Taxpayer Assistance Center (TAC) for tax preparation.

### Revised Policy

Sites and partners are encouraged to incorporate prior year and amended tax preparation. This is an optional service you can provide to taxpayers.

The current year Form 13614-C, *Intake/Interview & Quality Review Sheet*, must be completed for all prior year returns and will be used to determine the certification level and if the return is within scope of the VITA/TCE Programs. A new job aid will be developed to remind IRS-tax law certified volunteers of expired tax law provisions that were applicable in certain prior years.

IRS-tax law certified volunteers may prepare prior year returns based on their current year certification level as long as they meet the certification level required to prepare the prior year tax returns. All prior year tax returns must be prepared using tax preparation software.

VITA/TCE sites may prepare amended returns even if they did not prepare the original return. Sites are strongly encouraged to assign prior year and amended returns to experienced IRS-tax law certified volunteers.

Prior year reference materials must be available (paper or electronic) for the prior years. Sites should maintain, at least, one copy of each prior year Form 13614-C to use as a reference.



## Social Security Administration Changes

### Social Security Administration

To meet the increasing demands for services offered at the Social Security Administration (SSA) office, changes were made to some services they provide to their customers to protect the integrity of the Social Security Number (SSN) and to prevent fraud.

### Social Security Cards

Effective August 1, 2014, the SSA office will discontinue providing SSN printouts. If taxpayers need proof of their SSN and do not have the Social Security card, the taxpayer will need to request a replacement Social Security card.

#### To Get Replacement Social Security Cards

The Social Security card is legal proof of a SSN. If a taxpayer cannot find his/her SSN card, the taxpayer will need a replacement card, which takes 7–10 business days. The taxpayer must complete Form SS-5, *Application for a Social Security Card*, and provide the required documentation that verifies their:

- Identity
- Age
- Citizenship or lawful immigration status

Taxpayers can find Form SS-5 online at [www.socialsecurity.gov/ssnumber](http://www.socialsecurity.gov/ssnumber). In most cases, the completed application with the required original documentation may be taken or mailed to any local SSA office. The replacement card will be mailed to the taxpayer's home. If the required original documentation is mailed, the SSA office will return the documents to the taxpayer, after processing. To find a local SSA office, taxpayers may go to [www.socialsecurity.gov/locator](http://www.socialsecurity.gov/locator).

### Benefit Verification Letters

The Social Security Administration will continue to provide benefit verification letters in their offices. Taxpayers also can get an instant letter online through a **“my Social Security”** account or they may call SSA toll-free to request a letter by mail.

To get an instant letter, create an account, by visiting [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount). With a **my Social Security** account, the taxpayer can easily view, print, or save an official letter that includes proof of the:

- Benefit amount and type
- Medicare start date
- Withholding amount (if applicable)
- Age

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### Benefit Verification Letters (continued)

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If a taxpayer is unable to go online, he/she may call the SSA toll-free number at **1-800-772-1213** (TTY **1-800-325-0778**) to request a letter be mailed. Taxpayers may also use their annual cost-of-living adjustment notice or SSA Form 1099 as proof of income from Social Security Administration.

Additional information and online service options are available at [www.socialsecurity.gov](http://www.socialsecurity.gov). Or taxpayers may call the toll-free number at 1-800-772-1213 (TTY 1-800-325-0778), and ask for the helpful publications mentioned the “Additional References” section.

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## Summary

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- Quality Program Office is recommending we revisit our partners' training needs and provide support to increase understanding of SPEC's quality processes.
  - Compliance occurs when a **site** follows the Quality Site Requirements as outlined in Publication 5166, *Quality Site Requirements*.
  - Intake/Interview and Quality Review processes continue to remain the most common noncompliant QSR.
  - Report Volunteer Standard of Conduct (VSC) violations to your SPEC relationship manager and/or using the External Referral Process by e-mailing IRS at [wi.voltax@irs.gov](mailto:wi.voltax@irs.gov) or calling toll free 1-877-330-1205. This toll free number is only in operation January through May.
  - VSC #1 violations occur when a site/local coordinator and/or volunteer refuses to follow the Quality Site Requirements.
  - Taxpayer Assistance Center assistants no longer prepare tax returns for individuals.
  - Current year Form 13614-C will be used to determine if prior year returns are within scope of the VITA/TCE Programs.
  - Tax preparation software must be used to prepare all prior year returns.
  - Amended tax returns must be prepared with tax preparation software and mailed.
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## Summary Exercises

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### Summary Exercise 2-1

What are the most common noncompliance Quality Site Requirements identified during oversight reviews?

Answer:

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### Summary Exercise 2-2

During which process should photo ID and social security numbers be verified?

Answer:

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### Summary Exercise 2-3

VITA/TCE sites cannot prepare the amended return if they did not prepare the original return?

Answer:

☐ True ☐ False

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### Summary Exercise 2-4

What documentation must be used to get a replacement Social Security card?

Answer:

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## Answers to Summary Exercises

### Summary Exercise 2-1

What are the most common noncompliance Quality Site Requirements identified during oversight reviews?

Answer:

QSR #2, Intake and Interview Process and QSR # 3, Quality Review Process

### Summary Exercise 2-2

During which process should photo ID and social security numbers be verified?

Answer:

Intake/Interview and Quality Review Processes

### Summary Exercise 2-3

VITA/TCE sites cannot prepare the amended return if they did not prepare the original return?

Answer:

☐ True ☒ False

VITA/TCE sites may prepare amended returns even if they did not prepare the original return.

### Summary Exercise 2-4

What documentation must be used to get a replacement Social Security card?

Answer:

To get a replacement card, the taxpayer must complete Form SS-5, *Application for a Social Security Card*, and provide the required documentation that verifies their:

- Identity
- Age
- Citizenship or lawful immigration status

# Lesson 3

## Equipment Security

### Overview

This lesson contains the following topics:

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Form 13632, <i>Property Loan Agreement</i>	3-3
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Safeguarding Equipment	3-4
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<b>Answers to Summary Exercises</b>	3-9

Additional  
References



- Form 13632, *Property Loan Agreement*
- Publication 4473, *Computer Loan Program Welcome Package*

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### Introduction

In support of tax return preparation activities, IRS loans equipment (computers and printers) to partners for electronic filing of returns. The equipment remains the property of the IRS. The equipment may not be used for commercial purposes. It may not be sold or otherwise disposed of.

By providing these resources, SPEC is supporting the IRS goals concerning electronic filing and providing tools for our partners that improve the quality of returns prepared. SPEC partners, sites, and IRS-certified volunteers are responsible for annually agreeing to safeguard equipment by providing appropriate physical security and notifying IRS if equipment is lost or stolen.

This lesson includes guidelines to assist partners on preventing equipment theft and reporting incidents of damage, loss, or theft.

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### Objectives

At the end of this lesson, you will be able to:

1. Describe the proper procedures to protect IRS loaned equipment.
  2. Describe the proper steps to report equipment damages, loss or theft.
-

## VITA Loaned Equipment Security

### Communication Methods for Partners/Sites

While SPEC has been diligent in communicating to its partners the importance of providing appropriate physical security of loaned equipment, there are a few incidents reported during each annual loan period. Information regarding rules for protecting equipment and preventing loss are addressed, in detail, using the following methods:

- Form 13632, *Property Loan Agreement*, (signed annually by recipients of VITA loaned computers and printers)
- Publication 4473, *Computer Loan Program Welcome Package*, (mailed with each computer shipment from the Brookhaven Equipment Depot)
- Quality Site Requirement Alerts (QSRA) – Computer Security (as needed)
- Information sharing from SPEC Headquarters to SPEC Partners during Partner Calls.

### Upon Receipt

**Within 20 days of receipt of equipment**, please verify the information on the **packing list** is accurate. It is critical that SPEC knows of any problems with the equipment or the paperwork soon after shipment. Compare the IRS bar code and serial number for each computer listed on the packing list. Please contact your local relationship manager (RM) if there are any discrepancies.

### Form 13632, Property Loan Agreement

Your local SPEC RM should send you a Property Loan Agreement (PLA) within two weeks of receipt of equipment. The Property Loan Agreement (PLA) is to document the loan of equipment and communicate the conditions of the loan. Please verify the equipment received matches the agreement within **20 days** of receipt of the equipment. Make any needed changes to the Property Loan Agreement, sign and return the PLA to your local SPEC office.

### Equipment Use

The equipment is loaned to support the VITA/TCE Programs. As such, use is restricted to preparation and filing of electronic tax returns and related program activities:

- Training and educating volunteers and taxpayers about individuals' rights and responsibilities;
- Reaching out to taxpayers to inform them of the services offered by the volunteer organization;

Continued on the next page



### Equipment Use (continued)

- Promoting activities to assist the volunteer organization in increasing its ability to deliver related tax matters or services without the direct involvement of IRS; and
- Administering the activities of the volunteer operation as they relate to volunteer electronic tax return preparation and filing.

### Inappropriate Equipment Use

#### Equipment may not be used for:

- Commercial purposes – One of the cornerstones of the VITA/TCE Programs is FREE return preparation for low-income and the elderly. No fee may be collected for volunteer services associated with return preparation.
- Games – Equipment is loaned for activities associated with the VITA/TCE Programs. Installation of game software is prohibited. It does not support the program.
- Collateral, exchange or sale – While we do loan equipment for use in the VITA/TCE Programs, it remains the property of Internal Revenue Service. It may not be swapped for other equipment, sold for personal gain, or used as collateral.
- Personal use – Computers should not be used for personal business.

### Physical Security

As a condition of IRS loaned equipment, the recipient of loaned equipment annually agrees to provide appropriate physical security to prevent theft by signing Form 13632, *Property Loan Agreement*. Appropriate physical security is defined as being in the control of an IRS-certified volunteer at all times while in use and being in a controlled, limited access (preferably) locked location when not in use.

Loss or theft of equipment where safeguarding rules are not followed will generally result in discontinuance of equipment loans.

### Safeguarding Equipment

Safeguarding rules for securing VITA loaned equipment:

- Do not leave the laptop or printer in a vehicle where it is visible. When transporting equipment, place in the trunk or under cover in the floor of the vehicle.
- Do not store the laptop or printer in a vehicle; use vehicles for transporting only.

Continued on the next page

### Safeguarding Equipment (continued)

- Do not leave the laptop or printer unattended in a public location.
- Do not leave the laptop or printer in a closet or cabinet that does not lock and where access is not limited.
- Do not expose the laptop or printer to extreme weather (hot or cold).
- Keep away from hazards such as liquids, food, and smoke.

### Safeguarding Taxpayer's Privacy

A password is provided at the operating system level by IRS and your partner or site/local coordinator is expected to set up a password into TaxWise®. Although having two passwords can be cumbersome they provide additional protection for the data stored in the computer. Please assist further in protecting the privacy of those served by VITA/TCE Programs.

- Do not share the password with anyone except those who are using the computers at VITA/TCE sites.
- Do not write down the password and keep it with the computer or in the general vicinity of where the computer is stored or used.  
**A number of computers were returned to the Depot with the password and login information taped to the machine itself.** This defeats the purpose of a password.
- Do not disable the password function.
- Do not change the passwords provided.
- Do not change the installed password at the operating system level.

### Partner Reporting Requirements

The recipient agrees to notify IRS within 48 hours if the equipment is damaged, broken, lost, or stolen. Partners should provide all information that is readily available to their local relationship manager or territory office. In the event of a theft, the recipient is required to notify law enforcement immediately and file the appropriate reports. The territory office will complete an incident assessment within 10 days to assist IRS with documentation.

Partners are asked to provide the following information:

- Serial number
- Barcode
- Make of computer or printer
- Model of computer or printer

### Partner Reporting Requirements (continued)

- 
- Description of what occurred
  - Taxpayer data at risk (include number of records)
  - Was computer encrypted
  - If not encrypted, did the computer have a strong password
  - Was or will taxpayers be notified of theft/loss (if notified, method used)
  - Copy of police report filed with local law enforcement (if applicable)
-

## Summary

- 
- It is the responsibility of every SPEC partner to secure the VITA assets entrusted to them from loss, theft and damage. By signing Form 13632, *Property Loan Agreement*, recipients agree to safeguard equipment by providing appropriate physical security and notifying IRS if equipment is lost or stolen.
  - Appropriate physical security is defined as equipment being in the control of an IRS-certified volunteer at all times while in use and being in a controlled, limited access (preferably) locked location when not in use.
  - Partners must notify IRS within 48 hours if the equipment is damaged, broken, lost or stolen. Theft or loss of equipment where safeguarding rules are not followed will generally result in discontinuance of equipment loans.
-

## Summary Exercises

### Summary Exercise 3-1

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Which form is signed annually by SPEC partners/IRS-certified volunteers who receive IRS loaned equipment?

Answer:

### Summary Exercise 3-2

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Partners must notify the IRS if equipment is damaged, broken, lost or stolen within 72 hours.

Answer:

☐ True   ☐ False

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## Answers to Summary Exercises

### Summary Exercise 3-1

Which form is signed annually by SPEC partners/IRS-certified volunteers who receive IRS loaned equipment?

Answer:

Form 13632, *Property Loan Agreement*

### Summary Exercise 3-2

Partners must notify the IRS if equipment is damaged, broken, lost or stolen within 72 hours.

Answer:

☐ True   ☒ False

False. Partners must notify the IRS of an incident of damage, theft or loss of IRS owned equipment within 48 hours.

# Lesson 4

## Civil Rights

### Overview

This lesson contains the following topics:

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#### Additional References



- Form 13324, *IRS Civil Rights Assurance for Sub-recipients under SPEC Partnership Agreements*
- Form 13325, *Statement of Assurance Concerning Civil Rights Compliance for IRS SPEC Partnerships*
- Publication 4053(EN/SP), *Your Civil Rights are Protected* (poster)
- Publication 4454, *Your Civil Rights are Protected*

### Introduction

Title VI was enacted as part of the landmark Civil Rights Act of 1964. It prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.

As President John F. Kennedy, said in 1963:

“Simple justice requires that public funds, to which all taxpayers of all races [colors, and national origins] contribute, not be spent in any fashion which encourages, entrenches, subsidizes or results in racial [color or national origin] discrimination.”

Lessons learned during the 2014 Filing Season included:

- Volunteer Income Tax Assistance/Tax Counseling for the Elderly (VITA/TCE) sites were visited by a diverse population of taxpayers, including taxpayers with disabilities and limited English proficient taxpayers. These taxpayers must be provided with access to the services that the VITA/TCE sites offer. This has expanded the need for awareness of requirements for reasonable accommodation and language access.
- Because of the Civil Rights Division (CRD) address on Publication 730, *Important Tax Record*, envelope, tax records were being sent to CRD. This address is for filing a complaint with CRD. VITA/TCE sites should ensure the IRS contact information for tax documents is included on the Publication 730.

### Objectives

By the end of this lesson, you will be able to:

1. Explain the Title VI language.
2. Clarify reasonable accommodations.
3. Identify how civil rights apply to VITA/TCE sites.
4. Recognize federal financial assistance.



### Applicable Laws and Executive Orders

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#### Title VI of the Civil Rights Act of 1964

Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs or activities, which receive federal financial assistance. All taxpayers should receive equal service in spite of race, color, or national origin.

**Example:** A taxpayer visited a site at a Chinese Community Center. The taxpayer was told they were busy and the taxpayer should return a different day. At the same time, the taxpayer witnessed Asian taxpayers who arrived after him/her being checked in for service that day. When the taxpayer questioned this, the volunteer pointed at a stamped form with the term “Chinese Community Center” and said this was the “Chinese Community Center.” The taxpayer felt that such clearly discriminatory behavior should result in this site losing funding from and partnership with the IRS. Sites must provide service to any eligible taxpayer requesting such, regardless of race, color or national origin.

#### Section 504 of the Rehabilitation Act of 1973

Section 504 prohibits organizations receiving federal assistance from excluding or denying individuals with disabilities an equal opportunity to receive benefits and services. Persons with disabilities should receive reasonable accommodations when requested.

**Example:** A taxpayer who traditionally got assistance from an IRS Taxpayer Assistance Center, where they were provided with a sign language interpreter, went to a VITA site and requested a sign language interpreter. The VITA site stated that it didn’t have a sign language interpreter on site but offered to capture communication via note-taking. The taxpayer indicated that he/she did not have good command of the written English language and needed a sign language interpreter. In this case, note-taking would not be an effective reasonable accommodation, since the taxpayer stated they did not have good command of the written English language. An effective accommodation must be provided. See Civil Rights Division Advisory #14-17, *Providing Reasonable Accommodation for Taxpayers Who Are Deaf or Hard of Hearing*, for additional information on effective accommodations. This and any CRD advisories can be obtained from your local Relationship Manager or by contacting CRD at: [edi.civil.rights.division@irs.gov](mailto:edi.civil.rights.division@irs.gov).

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### Applicable Laws and Executive Orders (continued)

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#### Age Discrimination Act of 1975

The Age Discrimination Act of 1975 prohibits discrimination based on age in programs or activities that receive federal financial assistance. Taxpayers should not be treated differently because of their age, with the exception of programs which are specifically designed to help the elderly.

**Example:** While the TCE program is targeted to help eligible taxpayers who are age 60 or over, the following is part of the TCE program's description: The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older, specializing in questions about pensions and retirement-related issues unique to seniors. As such, the TCE program cannot refuse service to a taxpayer under age 60 who is otherwise eligible for service.

#### Title IX of the Education Amendments of 1972 (Pub L. 92-318),

As amended, which prohibits discrimination on the basis of sex in education programs or activities.

**Example:** The question arose as to whether the phrase "in education programs or activities" could be eliminated. The answer is "no." There is a distinction as to when this law is applicable to federally assisted programs. General tax preparation services would not be considered an educational program or activity, and thus, Title IX would not be applicable. Title IX may be applicable; however, if a "training or education" program is conducted, such as a training program for VITA volunteers.

#### Executive Order 13166

- Requires federal agencies and their recipients of financial assistance to provide access to the programs to persons who are limited English proficient.
- Requirement for recipients stems from Title VI of the Civil Rights Act.
- Extended the requirement to the federal government.

**Example:** A limited English proficient (LEP) taxpayer visited a VITA site. They were not provided a language interpreter. As a result of the language barrier, the refund due the taxpayer was deposited to the wrong account. The money subsequently had to be replaced. VITA/TCE sites must provide meaningful access to their LEP taxpayers.

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## Civil Rights

### Title VI Language

The Internal Revenue Service will not tolerate discrimination based on race, color, national origin (including limited English proficiency), disability, sex (in education programs or activities) or age in programs or activities receiving federal assistance from the Department of the Treasury - Internal Revenue Service.

Taxpayers with a disability may require reasonable accommodations in order to participate or receive the benefits of a program or activity supported by the IRS. All IRS-certified volunteers are responsible for ensuring that requests for reasonable accommodations are granted when the request is made by a qualified individual with a disability.

If a taxpayer believes that he or she has been discriminated against, they can file a complaint. All written complaints should be sent to:

Director, Civil Rights Division  
Internal Revenue Service  
1111 Constitution Avenue, NW, Rm. 2413  
Washington, DC 20224

For all inquiries concerning taxpayer civil rights, contact IRS at the address referenced above or e-mail [edi.civil.rights.division@irs.gov](mailto:edi.civil.rights.division@irs.gov).

### Reasonable Accommodations

If you receive federal assistance from the Internal Revenue Service, your programs cannot discriminate against persons with disabilities. This may require that you modify your policies, practices and services so that persons with disabilities can participate in your programs and benefit from your services. A reasonable accommodation is any change made in a business environment that allows persons with disabilities equal access to programs and activities.

When a reasonable accommodation request is received from a taxpayer, the site/local coordinator must determine what type of accommodation is needed and whether or not it is reasonable and can be provided. If a site's representative must deny a request for a specific accommodation because it is not reasonable, alternative accommodations should be discussed that would effectively address the needs of the individual.

The Department of Treasury regulations state that an agency is not required to fulfill a reasonable accommodation request if it "would result in a fundamental alteration in the nature of a program or activity or create undue financial and administrative burdens."

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### Reasonable Accommodations (continued)

#### Examples of Reasonable Accommodations:

- Ensuring access (ramps, curb cuts, elevators, wide passageways, etc.) for people in wheelchairs without creating undue financial burdens.
- Persons with disabilities accompanied by service animals must be allowed entry to the site. Service animals are defined as dogs or other animals that are trained to do work or perform tasks to assist people with disabilities.
- If a person with low vision needs an accommodation because they cannot see the print, the site can accommodate the taxpayer by getting a volunteer to read the form to the taxpayer and fill-in the answers or they can provide Braille products or large print products.
- If a taxpayer notifies a volunteer that they have a medical condition that does not allow them to stand for extended periods of time, the site should provide them a chair as they wait to receive services.
- Accommodations for taxpayers who are deaf may include sign language interpreters, use of a teletypewriter (TTY) or Telecommunication Device for the Deaf (TDD), or use of video relay service (VRS). Resources for obtaining sign language interpreters can include hiring staff sign language interpreters or contracting for sign language interpreters on an as-needed basis, community organizations/volunteers or resources of the National Disability Institute. Writing notes back and forth may be appropriate for casual interactions, but complex transactions and interactions, such as tax return preparation or discussions, require more formal means of communication such as a sign language interpreter.

### Develop Plans for Providing Reasonable Accommodation and Language Access

LEP.gov is a primary resource for attaining demographic information, found under the demographic data tab. The American Community Survey Data provides current information that can be tailored to a geographic area. The data is accessible at the following link:

<http://www.census.gov/hhes/socdemo/language/data/acs/index.html>

In addition, partners may review the demographic information gathered from disability question/LEP question on Form 13614-C, *Intake/Interview & Quality Review Sheet*. This will help you determine who your customers are so you can anticipate what your language access/reasonable accommodation needs may be for the next filing season.

### Develop Plans for Providing Reasonable Accommodation and Language Access (continued)

- Include language interpreter and sign language interpreter costs in budget projections
- Recruit bi-lingual staff and/or volunteers to meet your needs
- Network with nearby sites to share resources available at each site
- Identify partners in the community who can assist with providing language interpreters and sign language interpreters
- Explore National Disability Institute (NDI) partnership resources
- Obtain language identification cards available through LEP.gov website
- Utilize the services available through the Virtual VITA sites for taxpayers. Deaf/Hard of Hearing taxpayers can get their taxes prepared through Virtual VITA sites by communicating virtually with tax preparers who are trained in sign language
- Review the guidance provided through Fact Sheets that were put out in partnership with SPEC and the Civil Rights Division:
  - Civil Rights Division Advisory #14- 06, *Providing Reasonable Accommodation for Taxpayers*
  - Civil Rights Division Advisory #14-07, *Providing Language Access to Limited English Proficient (LEP) Taxpayers*
  - Civil Rights Division Advisory #14-17, *Providing Reasonable Accommodation for Taxpayers Who Are Deaf or Hard of Hearing*

### How Does Title VI Apply to VITA/TCE Sites

Title VI applies to all SPEC partner organizations receiving federal financial assistance from the IRS to provide tax services to the public. VITA/TCE sites are required to display and or provide information concerning taxpayer civil rights.

Federal financial assistance is defined as grants and money, and other non-monetary forms such as the following:

- Loans of computer equipment
- Loan of IRS personnel
- Direct training of VITA/TCE volunteers
- Provision of supplies and equipment
- Use of federal property at no cost
- Grants of computer software
- Waiver of fees for electronic filing of tax returns

Continued on the next page

### How Does Title VI Apply to VITA/TCE Sites (continued)

#### Title VI Compliance

Notification of Title VI must be provided to the taxpayer at the point of contact between the volunteer and the taxpayer even if a return is not completed. Using **only** Publication 730, *Important Tax Records Envelope*, or the AARP envelope as the source for notifying the taxpayers of their Title VI rights **is not acceptable**. These products only provide information to the taxpayer who receives service, not the taxpayer who is denied service. **Therefore, all VITA/TCE sites, including military that service civilians, must display a current Publication 4053 (EN/SP), Your Civil Rights are Protected. Title VI posting/displaying also includes the AARP Foundation Tax-Aide product (D-143) revised with the updated Title VI language.**

According to Civil Rights Division (CRD), military sites allowing civilians to work at the site and/or prepare civilian tax returns must display Title VI posters. Based on this, the military exception for displaying Title VI information was removed. All sites must display Title VI posters that include the updated language.

#### Violation of Title VI

Noncompliance with Title VI can be very expensive, involve lengthy court proceedings, and can include:

- Referral to the Civil Rights Division for further investigation
- Private law suits
- Termination of current federal assistance
- Denial of additional federal assistance
- Termination from the VITA/TCE Programs

### Roles and Responsibilities for Title VI Assurance Forms

#### Partner

Each year, SPEC must secure Title VI information from partners receiving federal financial assistance. The local SPEC territory office will issue Form 13325, *Statement of Assurance Concerning Civil Rights Compliance for IRS SPEC Partnerships*, and Form 13324, *IRS Civil Rights Assurance for Sub-recipients under SPEC Partnership Agreements*, to each SPEC partner.

The partner's official must sign and date Form 13325 and return the form to their local SPEC relationship manager. By signing Form 13325, the "Partner" agrees that it must comply with applicable provisions of federal laws and policies prohibiting discrimination. In addition, the partner will conduct its activities so that no person is excluded from participation in, is denied the benefits of, or is subject to discrimination, as prohibited by the statutes.

### Roles and Responsibilities for Title VI Assurance Forms (continued)

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If a partner provides federal property or the federal financial assistance to another partner, the partner should issue Form 13324 to the sub-recipient. Forms 13324 are maintained at the partner level.

Partners and sub-recipients receiving federal financial assistance shall be obligated to comply with this assurance for a period not to exceed one year from the date signed.

### Territory

The local territory office must submit signed Forms 13325 to the Civil Rights Division prior to the filing season but no later than **January 10th** each year.

**Exhibit 5-1**, *Integrating Civil Rights into Your Volunteer Program*, provides a check list of what should be considered when assessing, planning, and selecting sites for delivery of the VITA/TCE programs. Using this list will help to ensure civil rights requirements are recognized as a priority.

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### Civil Rights Division (CRD) Reviews

Each year, CRD will select VITA/TCE sites for review. The purpose of the review is to assess site operating compliance with Title VI requirements and provide assistance to address identified issues.

SPEC employees are not required to accompany CRD during their review.

Once all reviews are completed, CRD will provide a report of their findings.

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## Summary

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- Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs or activities, which receive federal financial assistance.
  - Under no circumstances will the Internal Revenue Service tolerate discriminatory treatment of taxpayers by its employees, or individuals who volunteer or work at Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) sites.
  - Title VI applies to all SPEC partner organizations receiving federal financial assistance from the IRS to provide tax services to the public.
  - All VITA/TCE sites, including military that service civilians, must display a current Publication 4053 (EN/SP), *Your Civil Rights are Protected*. Title VI posting/displaying also includes the AARP Foundation Tax-Aide product (D-143) with the updated Title VI language.
  - Yearly, SPEC HQ will provide area analysts with a reminder to secure Title VI information from partners receiving federal financial assistance.
  - Territory Offices will issue the forms to each SPEC partner. The signed Forms 13325 are required to be sent to the Civil Rights Division (CRD) prior to the filing season but no later than January 10th each year.
  - The purpose of a CRD review is to assess site operating compliance with Title VI requirements and provide assistance to address identified issues.
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## Summary Exercises

### Summary Exercise 4-1

Who is responsible for ensuring a request for reasonable accommodation/modification is granted when the request is made by a qualified individual with a disability?

Answer:

- A. Civil Rights Division
- B. Site Location
- C. Site/Local coordinator
- D. Taxpayer

### Summary Exercise 4-2

All VITA/TCE sites are required to display civil rights information with the updated language?

Answer:

☐ Yes   ☐ No

### Summary Exercise 4-3

List an example of federal financial assistance

Answer:

## Answers to Summary Exercises

### Summary Exercise 4-1

Who is responsible for ensuring a request for reasonable accommodation/modification is granted when the request is made by a qualified individual with a disability?

Answer:

- A. Civil Rights Division
- B. Site Location
- C. Site/Local coordinator**
- D. Taxpayer

### Summary Exercise 4-2

All VITA/TCE sites are required to display civil rights information with the updated language?

Answer:

☒ Yes   ☐ No

All VITA/TCE sites, including military that service civilians, must display a current Publication 4053 (EN/SP), *Your Civil Rights are Protected*. Title VI posting/displaying also includes the AARP Foundation Tax-Aide product (D-143) with the updated Title VI language.

### Summary Exercise 4-3

List an example of federal financial assistance

Answer:

- Money
- Grants
- Loans of computer equipment
- Loan of IRS personnel
- Direct training of VITA/TCE volunteers
- Provision of supplies and equipment
- Use of federal property at no cost
- Grants of computer software
- Waiver of fees for electronic filing of tax returns

## Exhibit 4-1, Integrating Civil Rights into Your Volunteer Program

The following questions will help when assessing, planning, and selecting sites for delivery of your volunteer return program to ensure civil rights requirements are recognized as a priority by your program.

ID	Category	Consideration
1.	Policies	What methods are used to disseminate the site organization's non-discrimination policy or notices?
2.	Policies	Where is the site organization's non-discrimination policy posted?
3.	Policies	Is the site organization's non-discrimination policy included in brochures, on websites, in advertisements?
4.	Policies	Does the facility and the planned sites have the IRS poster; <i>Your Civil Rights are Protected</i> , displayed?  <b>Note:</b> All VITA/TCE sites must prominently display the current Publication 4053 (EN/SP), <i>Your Civil Rights are Protected</i> , posters or the updated AARP poster (with the revised Title VI language) explaining the procedures for filing complaints. Publication 730 is not sufficient as it is normally provided at time of return completion and is not available in a waiting area.
5.	Policies	Is the poster translated as necessary for other applicable languages?
6.	Policies	How will staff be trained on responding to a civil rights inquiry or complaint and on responding to a request for a reasonable accommodation?
7.	Public Transportation Access	Is the site location convenient to public transit when offered?
8.	Building Access	Does the building have a primary entrance that is accessible?
9.	Building Access	Is there an accessible route from the sidewalk to the building entrance?

Continued on the next page

## Exhibit 4-1, Integrating Civil Rights into Your Volunteer Program | continued

ID	Category	Consideration
10.	Building Access	Are there curb cuts to allow easy access to the sidewalk?
11.	Building Access	Is there signage at non-accessible entrances directing people to an accessible entrance?
12.	Building Access	Are there clear signs posted with large print and high contrast lettering to inform persons with disabilities of accessible emergency evacuation routes?
13.	Building Access	If the building has more than one floor/level, does it have elevators? Is the elevator accessible to individuals with disabilities? Does the control panel contain Braille markings?
14.	Building Access	If the building has more than one floor/level and it doesn't have an elevator, are ramps available for accessing other floors?
15.	Building Access	Are programs and activities offered in at least one area accessible to people with disabilities?
16.	Restroom Access	Is the entrance to the restroom accessible to a person who uses a wheelchair?
17.	Restroom Access	Is at least one toilet stall wheelchair accessible and maneuverable? Can the person and chair get in and turn around?
18.	Restroom Access	Is there at least one soap dispenser accessible to persons with disabilities?
19.	Restroom Access	Is at least one towel dispenser and sink accessible to persons with disabilities?
20.	Water Fountain Access	Is there a water fountain that is accessible to persons with disabilities?
21.	Work Area Access	Are all work areas the program occupies wheelchair accessible?
22.	Work Area Access	Are any necessary controls and equipment operable by a person who uses a wheelchair?
23.	Work Area Access	Is there enough clear floor space for a person in a wheelchair to pull up close to the equipment?
24.	Work Area Access	If a telephone is made available for public use, is it accessible to a person in a wheelchair?

Continued on the next page

## Exhibit 4-1, Integrating Civil Rights into Your Volunteer Program | continued

ID	Category	Consideration
25.	Information Access	Is accessibility language/information publicized in promotional materials, announcements, or advertisements?
26.	Information Access	Are alternative products, such as cassette recordings, Braille, or large print, provided?
27.	Reasonable Accommodations	<p>How will you provide accommodations for people with sensory loss? Examples of accommodations include:</p> <ul style="list-style-type: none"> <li>• Note exchange between assistor and taxpayer</li> <li>• Sign language interpretation</li> <li>• Assistive listening system</li> <li>• Open/closed caption film or video</li> <li>• Audio description</li> <li>• Large print/high contrast labeling</li> <li>• TTY/TDD (Telecommunications Relay Service)</li> <li>• Tactile tours</li> </ul>
28.	Language Assistance	<p>How do you assess if language assistance services are needed?</p> <p>Note: IRS offers Publication 4269, <i>Language Identification Flashcard</i>, for use in identifying 38 unique languages or you can download the Language flashcard from <a href="http://www.irs.gov/ISpeakCards2004.pdf">http://www.irs.gov/ISpeakCards2004.pdf</a>.</p>
29.	Language Assistance	How would you accommodate a taxpayer with limited English proficiency?
30.	Language Assistance	What methods are used to inform limited English proficient persons that language assistance services are available at no cost to the person being served?
31.	Language Assistance	What efforts will be made to serve limited English proficient persons?

For questions that arise concerning civil rights and your volunteer program, please contact the Civil Rights Division at 202-927-0180 or [edi.civil.rights.division@irs.gov](mailto:edi.civil.rights.division@irs.gov).

# Lesson 5

## Virtual VITA/TCE

### Overview

This lesson contains the following topics:

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### Additional References



- Form 14446, *Virtual VITA/TCE Taxpayer Consent*
- Publication 1084, *Site Coordinator's Handbook*

### Introduction

Since October 2000, Stakeholder Partnerships, Education and Communication (SPEC) community-based partners have assisted millions of taxpayers with free tax preparation and filing by supporting thousands of Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) sites for taxpayers. IRS-certified volunteers at these sites provide tax preparation assistance to low-and-moderate income taxpayers, including individuals with disabilities, limited English-speaking, elderly, and rural populations.

Initial SPEC research in 2008 determined that nearly one-fifth (18%) of all low-income taxpayers (or 13.6 million taxpayers) were in rural areas, defined as locations with populations under 50,000. With this in mind, SPEC created the Rural Initiative. This initiative is designed to expand free tax preparation, outreach regarding tax credits, and financial education with a focus on leveraging partnerships with local and national organizations, to identify and serve individuals in rural areas.

The Rural Initiative quantified this population which increased the presence of volunteer tax preparation in those locations. The resulting Alternative Rural Site policy endorsed the concept of non-traditional (i.e. face-to-face) methods of delivering services to taxpayers in more remote locations.

As a result, Virtual VITA/TCE was launched to provide taxpayers in remote locations with the same quality service as in traditional face-to-face VITA/TCE sites. Partners leverage technology to bring the volunteer tax preparation experience to a location more convenient to taxpayers in rural communities across the country.

The 2014 filing season marked the second year of the Virtual VITA/TCE survey. SPEC partners helped to administer the survey to clients who had their returns prepared at a Virtual VITA/TCE location.

Based on lessons learned, the preliminary results for 2014 were quite positive. Overall, 96% of respondents were satisfied with their Virtual VITA/TCE experience and indicated a willingness to use the service in the future.

As SPEC employees, partners, and taxpayers become more comfortable with the process, SPEC has expanded Virtual VITA/TCE to include Virtual Quality Review.

### Objectives

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At the end of this lesson, you will be able to:

1. Describe the impact of the Rural Initiative on the creation of Virtual VITA/TCE.
  2. Review the Virtual VITA/TCE process.
  3. Describe the difference between Intake and Preparation Sites.
  4. Explain the role of the Form 14446, *Virtual VITA/TCE Taxpayer Consent*, in the Virtual VITA/TCE process.
-



## Types of Virtual VITA/TCE Sites

### Intake Site

All VITA/TCE volunteers are required to certify in the Volunteer Standards of Conduct (VSC) by completing the training and passing the test. The Intake Site is the location where the taxpayer first interacts with an IRS-certified volunteer. If their responsibilities are solely administrative in nature, they are not required to certify in tax law. Intake volunteers who are not certified in tax law are **prohibited** from answering any tax law questions from the taxpayer.

IRS-certified volunteers that are not certified in tax law (for example, the screener, greeter or client facilitator) may perform the following administrative duties:

- Set taxpayer appointments
- Greet the taxpayer and spouse, if applicable
- Verify taxpayer/spouse identity using a photo ID
- Secure social security and individual tax identification numbers using documents issued by the Social Security Administration or Internal Revenue Service for all taxpayers and dependents, if any
- Provide taxpayer with Form 13614-C, *Intake/Interview & Quality Review Sheet*, and instructions to complete pages 1 thru 3
- Provide Form 14446, *Virtual VITA/TCE Taxpayer Consent*, with instructions to sign and date page 2
- Collect income and expense documents from taxpayer
- Securely transmit/transport documents to the Preparation Site
- Arrange for communication with an IRS-tax law certified volunteer preparer at Preparation Site
- Arrange for communication with another IRS-tax law certified volunteer quality reviewer at Preparation or Quality Review Site
- Provide final instructions to taxpayer on follow-up actions (if needed) and timeframes for return processing

If the completed return is sent back to the Intake Site for taxpayer pick-up:

- Secure signed Form 8879, *IRS e-file Signature Authorization*, from the taxpayer and spouse (if applicable)
- Return all documents to the taxpayer, including Form 14446

Many Virtual VITA/TCE sites are appointment only locations. Arrangements may be made to provide Form 13614-C, *Intake/Interview & Quality Review Sheet*, and Form 14446, *Virtual VITA/TCE Taxpayer Consent*, to taxpayers in advance of the appointment to expedite the process.

### Preparation Site

The Preparation Site creates the tax return and typically completes the Quality Review Process as well. The Preparation Site is assigned its own Electronic Filing Identification Number (EFIN) to e-file the return. The Site Identification Number (SIDN) of the Intake Site must be reported on the return to identify it as a Virtual VITA/TCE return. All IRS-tax law certified volunteers, who answer tax law questions, prepare or correct tax returns, and/or conduct quality reviews of completed tax returns, must be certified in tax law at the appropriate level. IRS-tax law certified volunteers at the Preparation Site may interact with the taxpayer/spouse by using various electronic means of communication such as phone call, web-based chat or videoconferencing.

IRS-tax law certified volunteer preparers and quality reviewers may perform the following duties:

- Ensure that all documents are received to initiate the preparation of the return, which includes Form 13614-C, 14446, W-2, 1099, etc.
- Verify social security and individual tax identification numbers using documents issued by the Social Security Administration or Internal Revenue Service for all persons listed on the return
- Request any missing income or expense documents from the taxpayers
- Interview the taxpayer by reviewing Form 13614-C and clarifying any unclear items
- Prepare the return using the tax preparation software
- Conduct a peer-to-peer or designated quality review with the taxpayer/spouse
- Provide a completed copy of the return (all schedules/forms), including Form 8879 to the taxpayer
- Advise taxpayer/spouse that they are responsible for the information on their return
- Request taxpayer/spouse to sign, date, and return Form 8879, IRS e-file Signature Authorization
- E-file the return upon receipt of the signed Form 8879
- Return to the taxpayer all their source documents including the signed Forms 8879 and 14446.
- Respond to any taxpayer questions within scope of VITA/TCE Programs

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### Combination Intake/ Preparation Site

This model incorporates the Virtual VITA/TCE process across an entire network of sites for a partner. In this model, sites can act as both Intake and Preparation sites. All sites must have IRS-tax law certified volunteers who can prepare and quality review returns that are sent from other sites within the network. This model allows partners to more effectively manage incoming traffic on a corporate level, while ensuring that returns are only prepared and quality reviewed by IRS-tax law certified volunteers at the required certification level(s).

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### Drop-Off Site

Drop-Off sites allow partners to manage incoming taxpayer traffic while also giving taxpayers the ability to save time when visiting the VITA/TCE site. The Drop-Off site model for tax return preparation allows the taxpayer to submit completed Forms 13614-C, *Intake/Interview & Quality Review Sheet*, and 14446, *Virtual VITA/TCE Taxpayer Consent*, along with their income and expense documents at the VITA/TCE site.

This package is then assigned to an IRS-tax law certified volunteer preparer, who interviews the taxpayer and creates the tax return. The VITA/TCE site then arranges for the taxpayer to return to the site for the quality review of the return. The quality review is completed by a different IRS-tax law certified volunteer. Once the quality review process has been completed, Form 8879, *IRS e-file Authorization*, is signed by the taxpayer and spouse, if applicable, and the return is e-filed. This process can take place in a single day or several days.

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### Form 14446, Virtual VITA/ TCE Taxpayer Consent

Form 14446, *Virtual VITA/TCE Taxpayer Consent*, was designed to inform the taxpayer about non-traditional methods of tax return preparation, including the sharing of taxpayer data off-site. This form provides a general overview of the Virtual VITA/TCE process, which includes:

- List of documents taxpayers need to participate in the program
- Information on how taxpayer documents will be shared with the Preparation Site
- Information on how the taxpayer will communicate with the Preparation site
- Request to conduct a Quality Statistical Sample (QSS) Review of their return

By completing, signing, and dating Form 14446, the taxpayer is agreeing to these non-traditional return procedures for preparing their tax return. This form is discussed with the IRS-certified volunteer at the Intake Site and shared with IRS-tax-law certified volunteer at the Preparation Site. Form 14446 is not required to be maintained by the partner and the original copy should be returned to the taxpayer upon the completion of the tax return.

### Secure Receipt and Storage of Documents at Preparation Site

Once the Intake process has been completed and the taxpayer has completed, signed, and dated Form 14446, the IRS-certified volunteer can initiate the process of sending the taxpayer's income and expense documents to the Preparation Site for processing.

Documents can be transferred to the Preparation Site by the following means (list is not all-inclusive):

- Fax
- Scanner
- File-Sharing Program
- E-Mail
- Courier

Regardless of the method used, partners should take steps to ensure that the transmission and receipt of documents is achieved in a **secure** manner. Examples include:

- Confirming the fax number of the Preparation Site
- Coordinating with the Preparation Site to ensure prompt receipt of all fax pages

### Secure Receipt and Storage of Documents at Preparation Site

(continued)

- Transmitting documents to secure fax machines or fax machine programs
- Using encrypted file-sharing software
- Granting IRS-certified volunteers access to secured files on an “as-needed” basis
- Utilizing secure e-mail and/or password-protected attachments

Once all files are received, the IRS-tax law certified volunteer preparer at the Preparation Site can contact the taxpayer to conduct an interview and begin to prepare the taxpayer’s return.

### Return Preparation and Quality Review/Taxpayer Communications

IRS-tax law certified volunteers will follow normal VITA/TCE procedures when completing the return, including reviewing Form 13614-C and asking clarifying questions of the taxpayer prior to inputting the return in the tax preparation software. When the return has been completed, it will be assigned to another IRS-tax law certified volunteer to conduct a quality review either at the Preparation Site or at a Virtual Quality Review location (see *Virtual Quality Review* section later in this lesson). The quality reviewer will review the return with the taxpayer and respond to any questions or concerns.

With Virtual VITA/TCE, the taxpayer and the IRS-tax law certified volunteer preparer and quality reviewer may use a communication method other than face-to-face to discuss the return. These electronic forms of communication could include:

- Phone call
- Web-based chat
- Videoconference

As with the transmission of data, partners should take precautions to ensure that communication channels are as secure as possible to ensure confidentiality of taxpayer information. Examples include:

- Using landlines for phone calls
- Using secure videoconference software

As part of the Virtual VITA/TCE process, the completed tax return will be shared with the IRS-certified volunteer at the Intake site. Care should be taken when sending the copy of the tax return back to the taxpayer.

Continued on the next page

### Authorization to Transmit Return,

Once the return has been quality reviewed, it will be ready to be e-filed or mailed. Assuming that the return will be e-filed, the IRS-certified volunteer at the Intake Site will secure the taxpayer's signature on the Form 8879, *IRS e-file Signature Authorization*. The IRS-certified volunteer at the Intake Site will provide this document to the Preparation Site as needed.

### Virtual Quality Review

Although many VITA/TCE sites will likely have a designated or peer-to-peer quality reviewer at the same location as the IRS-tax law certified volunteer preparer, there are instances where a quality reviewer is unavailable at the same location. Examples include:

- One-person VITA/TCE sites
- Quality reviewer is absent or otherwise unavailable

In those instances, sites may implement a Virtual Quality Review Process where the quality reviewer communicates with the taxpayer and spouse, if applicable, using electronic means. Document sharing is the same as between Intake and Preparation Sites. As non-traditional methods are being implemented for quality review, taxpayers are required to provide a signed consent via Form 14446, *Virtual VITA/TCE Taxpayer Consent*.

### Direct Taxpayer Intake

This Virtual Quality Review variation on the Virtual VITA/TCE process resulted from the processes outlined by the Kansas Deaf Tax Pilot proposal. Taxpayers were already equipped with the latest technology to communicate with family and friends, so the partner decided to leverage this connectivity for taxpayers who would typically have to travel up to 100 miles to a VITA/TCE site. By allowing the taxpayer to conduct the Intake/Interview and Quality Review processes directly from their homes using web conferencing and scanners, these individuals could avoid a lengthy commute and communicate with IRS-tax law certified volunteers over the computer using American Sign Language (ASL).

Although this direct intake approach can be adapted to meet the needs of partners and taxpayer segments in many more communities nationwide, the primary challenge to adopt this practice involves finding taxpayer segments that have access to this technology.

## Identifying Potential Locations for Virtual VITA/TCE Delivery

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Since October 2010, SPEC Virtual VITA/TCE has been implemented in many geographic areas in the country. SPEC territory managers (TMs), relationship managers (RMs), and partners should review the coverage rates for their respective locations to identify possible Virtual VITA/TCE sites.

Once the data has been assembled, partners should consult with their SPEC TMs/RMs to review the data on those underserved areas and determine if there are resources available to provide services to those locations. Discussions should focus on:

- Prioritizing underserved areas (including cities)
- Determining the partner's ability to provide expanded services, and
- Identifying potential sites for Virtual VITA/TCE (community centers, churches, etc.) in those targeted areas

A pilot program for Virtual VITA/TCE may work best for those partners who are unsure of the long-term success of the program in their community.

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### Virtual Program Plan Review and Approval

#### Partner Responsibility

Once the partner agrees to establish one or more Virtual VITA/TCE sites, they must submit a Virtual VITA/TCE Program Plan to their SPEC relationship manager for review and approval. Although there is currently no template for this plan, it should contain the following elements:

- Location of the Virtual Site(s), and their role in the process (Intake, Preparation, etc.)
  - Days/hours of operation
  - Appointment or walk-in site
  - Volunteer Standards of Conduct (VSC) and tax law certification level (if any) of all volunteers on each end of the process
  - Brief description of the Virtual VITA/TCE process, including Quality Site Requirements (QSR) compliance
  - Description of the document transmittal process between sites
  - List of virtual communication software used in the Virtual VITA/TCE process (*not including tax prep software such as TaxWise*), and
  - Approximate number of clients to be served
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### Virtual Program Plan Review and Approval (continued)

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Virtual VITA/TCE Program Plans should be approximately 1-2 pages in length. Submissions should be sent to their SPEC relationship manager at least two weeks in advance of opening the site(s). This will allow the relationship manager sufficient time for review, provide feedback, make revisions (if needed) and get approval from the Territory Manager. Partners should communicate any significant changes to the plan (e.g., new software) with their relationship manager as soon as possible.

### Territory Responsibility

The territory manager should review the Virtual VITA/TCE Program Plan in a timely manner. This will allow the partner to make any needed changes to the plan and still open their Virtual VITA/TCE sites in a timely manner.

Each SPEC Territory should maintain the most recent version of the approved Virtual VITA/TCE Program Plan in the Territory Office for as long as the partner is operating Virtual VITA/TCE sites. If a plan is not on file, the relationship manager should request a plan and coordinate with the partner to ensure it can be approved.

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### **By Preparation Site EFIN**

As previously stated, the Preparation Site utilizes its own Electronic Filing Identification Number (EFIN) to electronically file the return. Those totals will be reflected in the “count” of e-filed returns in the “Registered User Portal” of e-Services and in a weekly internal report available to your relationship manager.

### **By Intake Site SIDN**

When preparing the tax return from the Intake Site, the Preparation Sites must use the Site Identification Number (SIDN) of the Intake Site the taxpayer visited to begin the return. The count by SIDN will roll up to the internal SIDN report.

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## Summary

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- The Virtual VITA/TCE tax preparation model was the result of SPEC's Rural Initiative.
  - Since October 2010, SPEC Virtual VITA/TCE has been implemented in many geographic areas based on research identifying those underserved areas around the country.
  - Virtual VITA/TCE typically incorporates an Intake and Preparation Site.
  - All VITA/TCE volunteers are required to certify in the Volunteer Standards of Conduct by completing the training and passing the test.
  - Intake Sites can utilize volunteers who are not tax law certified to greet the taxpayer, validate their identity, and securely transmit the taxpayer's documents to the Preparation Site.
  - Taxpayers must complete Form 14446, *Virtual VITA/TCE Taxpayer Consent*, prior to the initiation of Virtual VITA/TCE activities.
  - Documents must be securely faxed, scanned, or e-mailed between sites.
  - The Preparation Site's IRS-tax law certified volunteer preparer reviews Form 13614-C and all attachments, interviews the taxpayer, completes the return, and asks the taxpayer questions as needed.
  - Quality review may be conducted at the Preparation Site or at a separate Virtual Quality Review Site.
  - Variations to the Virtual VITA/TCE process include Drop Off, Direct Taxpayer Intake, and Combination Intake/Preparation sites within a partner network.
-

## Summary Exercises

### Summary Exercise 5-1

---

Volunteers are required to complete Volunteer Standards of Conduct (VSC) training and pass the test at all Virtual VITA/TCE sites.

Answer:

☐ True   ☐ False

---

### Summary Exercise 5-2

---

The Intake Site IRS-certified volunteer securely transmits the taxpayer's income statements to the \_\_\_\_\_ site.

Answer:

---

### Summary Exercise 5-3

---

Form \_\_\_\_\_ is required to be signed by the taxpayer prior to initiating Virtual VITA/TCE activities on behalf of that taxpayer.

Answer:

---

### Summary Exercise 5-4

---

Which of the following models are variations of Virtual VITA/TCE?

Answer:

- A. CAA Pilot
  - B. Direct Taxpayer Intake
  - C. Combination Intake and Preparation Site
  - D. Both b and c
  - E. All of the above
-

## Answers to Summary Exercises

### Summary Exercise 5-1

Volunteers are required to complete Volunteer Standards of Conduct (VSC) training and pass the test at all Virtual VITA/TCE sites.

Answer:

☒ True   ☐ False

All volunteers are required to complete Volunteer Standards of Conduct (VSC) training and pass the test at all Virtual VITA/TCE sites.

### Summary Exercise 5-2

The Intake Site IRS-certified volunteer securely transmits the taxpayer's income statements to the \_\_\_\_\_ site.

Answer:

Preparation

### Summary Exercise 5-3

Form \_\_\_\_\_ is required to be signed by the taxpayer prior to initiating Virtual VITA/TCE activities on behalf of that taxpayer.

Answer:

14446

### Summary Exercise 5-4

Which of the following models are variations of Virtual VITA/TCE?

Answer:

- A. CAA Pilot
- B. Direct Taxpayer Intake
- C. Combination Intake and Preparation Site
- D. Both b and c**
- E. All of the above

## Exhibit 6-1, VITA/TCE Quality Site Requirements Applicable to Virtual Sites and Facilitated Self-Assistance (FSA)

VITA/TCE Quality Site Requirements Applicable to Virtual Sites and Facilitated Self-Assistance (FSA)		
<ul style="list-style-type: none"> <li>The QSR description, under Traditional VITA/TCE Sites, is only a brief summary of the QSR. For a complete description of each QSR refer to <b>Publication 5166, Quality Site Requirements</b>.</li> <li>Virtual Site refers to any VITA/TCE site that is conducting non-face-to-face interviews during tax return preparation and/or quality review of the return. For a more in-depth description of a Virtual Site see <b>Publication 1084, Site Coordinator's Handbook</b>.</li> <li>FSA Sites can be <b>stand-alone, fusion</b> (co-located with a traditional site) or <b>remote</b> (taxpayer can prepare the return from any computer with internet and assistance is provided remotely; there is not a physical site).</li> </ul>		
Traditional VITA/TCE Sites	VITA/TCE Virtual Sites	FSA Sites
<b>QSR #1: Certification</b>		
<p>All VITA/TCE volunteers must annually complete the Volunteer Standards of Conduct (VSC) Training and pass the VSC test.</p> <p>Volunteers, who answer tax law questions, instruct tax law classes, prepare or correct tax returns, and/or conduct quality reviews of completed tax returns must be certified in tax law and take the Intake/Interview and Quality Review Training (Publication 5101).</p> <p>Site/local coordinators must be certified annually by taking site or local coordinator training.</p>	Same as traditional.	Same as traditional.

Continued on the next page

**Exhibit 6-1, VITA/TCE Quality Site Requirements Applicable to Virtual Sites and Facilitated Self-Assistance (FSA) | continued**

Traditional VITA/TCE Sites	VITA/TCE Virtual Sites	FSA Sites
<b>QSR #2: Intake/Interview Process</b>		
<p>Volunteer return preparation sites must use Form 13614-C, <i>Intake/Interview &amp; Quality Review Sheet</i>, for every return prepared.</p> <p>It is a requirement for VITA/TCE volunteer tax preparers to use a complete intake and interview process when preparing tax returns. See Publication 5101, <i>Intake/Interview &amp; Quality Review Training</i>, for the components of a complete intake and interview process.</p>	<p>Same as traditional, except the interview can be conducted non-face-to-face using phone or other communication technology.</p> <p>Virtual Sites are required to explain the Virtual process to the taxpayer, complete Form 14446, <i>Virtual VITA/TCE Taxpayer Consent</i>, and secure the taxpayer's (and spouse's, if applicable) signature on Form 14446.</p>	<p>Taxpayers prepare their own tax return therefore, the Form 13614-C and the IRS intake and interview process is not required.</p>
<b>QSR #3: Quality Review Process</b>		
<p>All returns prepared at a VITA/TCE site must be quality reviewed and discussed with the taxpayer. The quality review must include an explanation of the taxpayer's responsibility for the accuracy of their tax return.</p> <p>See Publication 5101, <i>Intake/Interview &amp; Quality Review Training</i>, for the components of a complete quality review.</p>	<p>Same as traditional, except the discussion can be conducted non-face-to-face using phone or other communication technology.</p>	<p>Taxpayers prepare their own tax return therefore, IRS quality review process is not required.</p>
<b>QSR #4: Reference Materials</b>		
<p>All sites must have at least one copy (paper or electronic) of the following reference materials available for use by the IRS-tax law certified volunteer tax preparers and Quality Reviewers:</p> <ul style="list-style-type: none"> <li>• Publication 4012, <i>Volunteer Resource Guide</i></li> <li>• Publication 17, <i>Your Federal Income Tax for Individuals</i></li> <li>• Volunteer Tax Alerts (VTA) and Quality Site Requirement Alerts (QSRA)</li> </ul>	<p>Same as traditional.</p>	<p>Same as traditional.</p> <p>IRS-certified volunteers answering tax law questions for FSA remote assistance must have access to the required reference material.</p>

**Exhibit 6-1, VITA/TCE Quality Site Requirements Applicable to Virtual Sites and Facilitated Self-Assistance (FSA) | continued**

Traditional VITA/TCE Sites	VITA/TCE Virtual Sites	FSA Sites
<b>QSR #5: Volunteer Agreement</b>		
<p>After certification, and prior to reporting to a site, all volunteers are required to sign Form 13615, <i>Volunteer Standards of Conduct Agreement</i>. In addition, Form 13615 is only valid when the partner's designated approving official verifies the volunteers identity, reviews the appropriate certifications were completed, and signs and dates the Form 13615. The designated approving official may include the partner, site coordinator, instructor, or IRS approver.</p> <p>All VITA /TCE sites are required to display Publications 4836, <i>VITA/TCE Free Tax Programs</i>, (AARP sites can display D143, AARP Poster) in a visible location to ensure taxpayers and volunteers are aware they can make a referral if they suspect actions of unethical behavior at the site.</p>	Same as traditional.	<p>Same as traditional.</p> <p>FSA remote must display the Publication 4836 information when the taxpayer begins the remote return preparation process.</p>
<b>QSR #6: Timely Filing</b>		
<p>All sites must have a process in place to ensure every return is electronically filed or delivered to the taxpayer in a timely manner.</p> <p>Form 8879, <i>IRS e-file Signature Authorization</i>, is required to be signed by the taxpayer (and spouse, if applicable), which gives the site permission to e-file their tax return. A signed Form 8879 is required to be given to the taxpayer along with a copy of their return.</p>	Same as traditional.	Taxpayer's responsibility.

Continued on the next page

**Exhibit 6-1, VITA/TCE Quality Site Requirements Applicable to Virtual Sites and Facilitated Self-Assistance (FSA) | continued**

Traditional VITA/TCE Sites	VITA/TCE Virtual Sites	FSA Sites
<b>QSR #7: Civil Rights</b>		
<p>Notification of Title VI of the Civil Rights Act of 1964 is required to be provided to the taxpayer at the point of contact between the taxpayer and volunteer at the preparation sites.</p> <p>All VITA/TCE sites are required to display a current Publication 4053 (EN/SP), <i>Your Civil Rights are Protected</i>, or a current AARP D143, AARP Title VI Poster. These posters provide volunteers and taxpayers with contact information to report discriminatory treatment.</p>	Same as traditional.	<p>Same as traditional.</p> <p>FSA remote must display the Publication 4053 information when the taxpayer begins the remote return preparation process.</p>
<b>QSR #8: Correct Site Identification Number (SIDN)</b>		
It is critical that the correct SIDN is included on ALL returns prepared by VITA/TCE sites.	Preparation sites must use the SIDN of the Intake site to ensure proper credit.	The software vendor determines the method for assigning credit to SPEC partners, including embedding the SIDN in the FSA URL.
<b>QSR #9: Correct Electronic Filing Identification Number (EFIN)</b>		
The correct EFIN must be used to transmit every return e-filed by a VITA/TCE site.	Same as traditional.	This is not a measured requirement for FSA.
<b>QSR #10: Security, Privacy, and Confidentiality</b>		
<p>All guidelines outlined in Publication 4299, <i>Privacy and Confidentiality – A Public Trust</i>, are required to be followed by all volunteers.</p> <p>Volunteers are required to wear/display their identification badge with, at a minimum, first name and first letter of their last name.</p>	<p>Same as traditional.</p> <p>Volunteers must identify themselves, with first name and first letter of last name, when they have remote/virtual contact with a taxpayer.</p>	<p>Same as traditional.</p> <p>Sites must have an automatic or manual process to clear the cache to remove future access to taxpayer data on the site's computers.</p> <p>FSA remote volunteers must identify themselves, with first name and first letter of last name, when they have contact with a taxpayer via phone, email, chat, etc.</p>



# Lesson 6

e-Services

## Overview

This lesson contains the following topics:

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### Additional References



- Publication 3189, *Volunteer e-file Administration Guide*
- Publication 1084, *IRS Volunteer Site Coordinator's Handbook*
- Publication 3112, *IRS e-file Application and Participation*
- Training 35028-102, *Volunteer Return Preparation, SPEC – Application to Participate in the IRS e-file Program*
- [www.irs.gov](http://www.irs.gov)

### Introduction

To protect the integrity of the Volunteer Return Preparation Program, SPEC has new procedures for processing e-file applications. Applications to become an IRS e-file provider must be submitted online using *IRS e-file Application* process. Each individual listed as a responsible official must register for e-services prior to submitting the e-file application electronically. Applications can be started and saved in progress, and modifications to a firm's application can be made quickly and easily without restarting the process.

### Objectives

At the end of this lesson, you will be able to:

1. Explain the available method to obtain an Electronic Filing Identification Number (EFIN).
2. List the steps for completing an e-file application.
3. Define when an e-file application should be revised.

## IRS e-file Application

### Registered User Portal (RUP) Access

Each individual listed as a responsible official must register for e-Services prior to submitting the e-file application electronically. The responsible official must use e-Services to gain access to the Registered User Portal (RUP) through the [www.irs.gov](http://www.irs.gov) website.

Below are the steps to navigate the online e-services process:

Step	Action
1	Begin at <a href="http://www.irs.gov">www.irs.gov</a>
2	Click on “for Tax Pros” tab located at the top of the home page.
3	Click on the “e-Services, Online tools for tax professionals” link in the menu on the left.
4	On the screen titled e-services – Online Tools for Tax Professionals, select either “Login” or “Registration Services.”
5	Select “Login” if already registered in e-services or “Registration Services” if the customer has not registered for e-services.

The e-Services process involves collecting personal data for the sole purpose of authenticating the user’s identity. The required elements for the registration process are:

- Legal name (verified with IRS & Social Security Administration (SSA) records)
- Social Security Number (verified with SSA records)
- Date of birth (verified with SSA records)
- Telephone number
- e-mail address
- Adjusted Gross Income (AGI) from either the current year or prior year filed tax return (verified from IRS records)
- Username. Create a preferred username. Read the rules for selecting a username
- Password and PIN. Create a unique password and PIN. Read the helpful hints on selecting a secure, unique password and PIN
- A reminder question to recover a forgotten username/password
- Home mailing address (verified from IRS records). If you have moved since you last communicated with the IRS, update the information when registering

### Registered User Portal (RUP) Access (continued)

To avoid problems, the person registering should write down his/her Password, Username, and PIN exactly as it was created. The PIN is the individual's legal electronic signature for the e-file application.

Registering for e-services is a **two**-step process:

1. A one-time automated process which cannot be completed without the username, password, and PIN. The user should have this information available before continuing the registration process. For security purposes, a confirmation code is sent via postal mail to the users' home address with in seven to ten days.
2. The confirmation process. Within 28 days of receiving the confirmation code, the responsible official must log back into e-Services and select the "confirm registration" link to complete the registration process.

If any user enters an incorrect Username, Password, PIN or attempts to confirm more than twice incorrectly, on the 3rd failed attempt they will be locked out.

**Note:** The user is not a registered user until the registration is confirmed.

After entering the confirmation code, the applicant will receive the "Registration Success" page. This means the Registration process is complete.

The responsible official must **close the browser** to allow the system to update the confirmation. Open a new browser and go to "Already Registered, Login" link.

The Login page **should not** be saved as a favorite because Registration URL (or link) is updated periodically for security purposes and will be invalid if saved as a favorite.

Once registration is confirmed, the user will have access to the online e-file application. To access the IRS e-file application:

- Log in to e-Services using your login and password
- Click on "application"
- Click on "e-file application"

If a partner's responsible official is having difficulty with the application process, e-Services Registration, or Confirmation process, he/she may always call the e-Help Desk at 1-866-255-0654.

Continued on the next page

### e-file Application Completion

Before the partner's responsible official is able to submit the e-file application, the site must obtain a Site Identification Number (SIDN) from their local SPEC Office. AARP sites will obtain SIDNs from their state Admin Specialist. Once the SIDN is obtained the application can be completed. The following information is required when completing an application:

- Identify as 'new' or 'revised'
- Check the box for Volunteer Organization
- Firm name must contain program type (VITA/TCE/AARP), site name and SIDN
- "doing business as" (DBA) should be the name of the site followed by the Site Identification Number (SIDN)
- Business address should be the physical location of the site
- Mailing address if different from the physical address
- If site is **not open 12 months**, enter your local Territory Office address and telephone number
- Contact name/phone number should be the partner's
- Alternate contact/phone number should be your local Territory Office
- Only the Electronic Return Originator should be checked "yes"
- Check the box that matches your "not-for-profit" service
- Form 1040 should be selected
- Responsible Official information needs to be completed
- Signatures are required for the responsible official on the application

### Application Types

There are three e-file application types:

1. **New:** A partner will need to complete a new e-file application if the partner is opening a new site or if the is partner new to the VITA/TCE Programs.
2. **Revised:** A partner would need to revise an e-file application if any information on an EFIN account had changed. Changes must be submitted within 30 days of any change. Changes can be made by the responsible official online. Partners are strongly encouraged to have at least two responsible officials. Anyone who is listed on the application as the Responsible Official (RO) can log in through e-Services and make any updates to the application, including adding an additional RO. Each RO must individually register for e-Services before they can be added to an existing e-file application.

### Application Types

(continued)

3. **Reapply:** Once the EFIN Status is updated to Dropped and the partner wishes to continue in the IRS e-file program, the responsible official must reapply and the responsible official will receive a new EFIN.

The EFIN status can be Active, Inactive, or Dropped. Every year there is an “**EFIN Cleanup**” project where any EFIN which has not been used to prepare/submit at least **one** electronically filed return in two years is systemically inactivated.

Letter 3250-C, *ERO Deactivation Letter*, will be mailed to each mailing address on record notifying the site that the EFIN is no longer active due to non-use. If they wish to have the EFIN to remain active, they must contact the e-Help Desk within 30 days.

If no response is received within the 30-day timeframe, the EFIN is then **systemically dropped** (usually 60 days later).

The EFIN cleanup typically happens over the summer and the drop date is sometime in the fall (which is why you frequently see EFINs dropped in November). It is very critical to monitor all sites continuously, especially from November thru January to ensure the EFIN has not been dropped.

A “Dropped” EFIN cannot be **reactivated** and **cannot be updated** or **used again** by the Partner. Dropped EFINs may be reassigned systemically to another Provider **after** 12 months.

### Submitting the Electronic Application

**Once the registration process is confirmed, log in to ‘e-Services’ to access the e-file application electronically.** To access the IRS e-file application:

1. Log into e-services using your login and password
2. Click on “application”
3. Click on “e-file application”

Continued on the next page

## Submitting the Electronic Application (continued)

### Business Type

**Internal Revenue Service**  
United States Department of the Treasury

e-services   On-line Tutorials   Help   Mailbox   Sign out   Contact Us

List of Applications   **Firm Type**

**e-file Application: Firm/Organization Business Type**

Thank you for visiting our new on-line e-file application site where you will be able to complete a new "Application to participate in the IRS e-file Program". This is the Form 8633 on-line application process. The application process will ask you for information regarding your Firm/Organization and personal information including Social Security Number, Date of Birth, U.S. Citizenship and Home Address with regard to each of the Principals and Responsible Officials you will be adding to your application. You will also need to know the Social Security Number of all Delegated Users. **The IRS will compare the information in the "Required Fields" with information received from the Social Security Administration and the tax return information you previously filed.**

You will have the opportunity to save your application, if you do not have all the information required, and will be able to come back and revise the application with your information. Once you have input all the required information, you will be allowed to submit the application for review by the Internal Revenue Service (IRS). The IRS will process your application and send you a notification as to the results.

The time it takes to fill out the application can vary by organization and will usually take between 20-45 minutes.

**\*Business Type (Required):**

**\*Does your firm have an Employer Identification Number (EIN)? (Required)**

**When you have finished Firm/Organization Business Type.**

- Select **Next** to go to the Firm/Organization Information page.
- Select **Cancel** to exit the application.

Next   Cancel

Association  
Corporation  
Credit Union  
Federal Government Agency  
Limited Liability Company  
Limited Liability Partnership  
Local Government Agency  
Partnership  
Personal Service Corporation  
Sole-Proprietorship

Select Volunteer Organization

List of Applications | Firm Type

**Figure 6-1**

Once the "Business Type" – Volunteer Organization is selected, the responsible official (RO) will get a warning.

The warning states that the person has selected "Volunteer Organization" as the business type and must participate in IRS e-file only in a not-for-profit capacity. In addition, it states the person completing/submitting the application must be the responsible official of the location. The responsible official should click "OK".

Continued on the next page

## Submitting the Electronic Application (continued)

### e-file Application

The screenshot shows the IRS e-file Application form. At the top is the Internal Revenue Service logo and header. Below the header is a navigation bar with links: e-services, On-line Tutorials, Help, Mailbox, Sign out, and Contact Us. The main heading is "e-file Application:". Below this, there are instructions for providing the Employer Identification Number (EIN) or Social Security Number (SSN), the name of the sole proprietor, and the "Doing Business As" (DBA) name. A prompt asks the user to select a role as a Principal or a Responsible Official. The form fields are as follows:

- Firm/Organization Role(Required):** A dropdown menu with "Responsible Official" selected.
- Firm/Organization Legal Name (Required):** A text field containing "VITA Community Library S11111111".
- Doing Business As (DBA) (if other than Legal Name):** A text field containing "VITA Community Library S11111111".

At the bottom are "Previous" and "Next" buttons. A blue oval callout with an arrow points to the "Firm/Organization Legal Name" and "Doing Business As" fields, containing the text "Enter SIDN in Firm and DBA fields".

Figure 6–2

The responsible official should enter site name, as listed in SPECTRM, followed by the SIDN in the “Firm Organization Legal Name” field. The exact same information may be entered in the “Doing Business As” field.

Continued on the next page



## Submitting the Electronic Application (continued)

### Responsible Official

**Internal Revenue Service**  
 United States Department of the Treasury

[e-services](#)   [On-line Tutorials](#)   [Help](#)   [Mailbox](#)   [Sign out](#)   [Contact Us](#)

Personal Information

Name	SSN	U.S. Citizen	Title	Email Address	Edit	
LEBORING, LOIS	XXX-XX-1470	Y	Partner	LOIS.LEBORING@irs.gov	<a href="#">Edit</a>	<a href="#">Delete</a>

'First Name (Required):

Middle Initial:

'Last Name (Required):

Name Suffix:

'Title (Required):

'U.S. Citizen (Required): ☒ Yes ☐ No

'Social Security Number (Required):

'Date of Birth (Required):

Email Address:

Is this person also a responsible official? ☐ No ☒ Yes

Is this person also a primary contact? ☐ No ☒ Yes

'Country Code (Required):

'Phone Number (Required):

• Select *Update* to update a principal.  
• Select *Clear* to clear the form.

Partner will enter Responsible Official information

Figure 6-3

Continued on the next page

## Submitting the Electronic Application (continued)

### Application Contact(s)

e-services	On-line Tutorials	Help	Mailbox	Sign out	Contact Us
------------	-------------------	------	---------	----------	------------

**e-file Application : Application Contact(s)**

---

Name: VITA Community Library S11111111

Please enter a Primary Contact who will be available on a daily basis to answer IRS questions regarding this application and any processing issues throughout the year. A Primary Contact is required for all applications. You may also enter an Alternate Contact who the IRS may talk to if the Primary Contact is unavailable.

**Primary Contact (Required)**

\*First Name (Required): LOIS  
Middle Initial:   
\*Last Name (Required): LEBORING  
Name Suffix:   
Salutation:   
Title: Partner  
\*Country Code (Required): 001  
\*Phone Number (Required): (703)891-6519 Extension:   
Fax Country Code: 001  
Fax Number: (555)444-1213  
Email Address:

Enter Partner's information as Primary Contact

**Alternate Contact**

Enter Territory Office/phone as Alternate Contact

[e-file application Menu Page](#)
[Add Comment\(s\)](#)
[Go to Summary Page](#)

When you have finished Application Contact(s), you may do any of the following:

Figure 6-4

Continued on the next page

## Submitting the Electronic Application (continued)

### Programs

[e-services](#)
[On-line Tutorials](#)
[Help](#)
[Mailbox](#)
[Sign out](#)
[Contact Us](#)

**e-file Application : Program(s) Applying For**

Name: VITA Community Library S11111111

You are required to declare all the business activities that will be performed with *electronic filing*. Please use this page to declare all the business activities by making appropriate entries and selections below. You may declare multiple business activities by selecting the **Add** button as needed.

Business Activity	
<b>'Provider Option (Required):'</b> <b>'For Profit or Not For Profit Business Activity (Required):'</b> <ul style="list-style-type: none"> <li>Select <b>Add</b> to add a provider option.</li> <li>Select <b>Clear</b> to clear the form.</li> </ul> <div> <div>Add</div> <div>Clear</div> </div>	<div> <div>View Provider Options</div> <div>                     Electronic Return Originator                      Intermediate Service Provider                      Large Taxpayer                      Online Provider                      Reporting Agent                      Software Developer                      Transmitter                 </div> </div>

Do you want your firm/organization's contact information posted on the [irs.gov](#) public website? Yes ☒ No ☐

[e-file application Menu Page](#)
[Add Comment\(s\)](#)
[Go to Summary Page](#)

**When you have finished Program(s) Applying For, you may do any of the following:**

- Select *Previous* to go back to the Application Contact(s) Page.


Select 'ERO' only

Figure 6–5

Continued on the next page

## Submitting the Electronic Application (continued)

### Business Activity

**Internal Revenue Service**  
United States Department of the Treasury

e-services   On-line Tutorials   Help   Mailbox   Sign out   Contact Us

**e-file Application : Program(s) Applying For**

Name: Vita Community Library S1111111

You are required to declare all the business activities that will be performed with *electronic filing*. Please use this page to declare all the business activities by making appropriate entries and selections below. You may declare multiple business activities by selecting the **Add** button as needed.

**Business Activity**

'Provider Option (Required):' Electronic Return Originator [View Provider Options Definition](#)

'For Profit or Not For Profit Business Activity (Required):'

For Profit

Not For Profit

Select **Add** to add a provider option.  
Select **Clear** to clear the form.

Add   Clear

Select 'Not for Profit'

Do you want your firm/organization's contact information posted on the irs.gov public website? Yes ☒ No ☐

e-file application Menu Page

Add Comment(s)

Go to Summary Page

**When you have finished Program(s) Applying For, you may do any of the following:**

- Select *Previous* to go back to the Application Contact(s) Page.

Figure 6–6

Continued on the next page

6-12

## Submitting the Electronic Application (continued)

### Return Form Type

e-services	On-line Tutorials	Help	Mailbox	Sign out	Contact Us
------------	-------------------	------	---------	----------	------------

**e-file Application : Form(s)**

Name: VITA Community Library S11111111

You are required to select the return/form type you are planning to e-file.  
You must select at least one form type for each provider type.

**'Provider Option (Required):'**

Electronic Return Originator

**'For Profit (Required):'**

Not For Profit

**'Return/Form Type (Required)'**

☐ 1040 - U.S. Individual Income Tax Return
 ☐ 1041 - U.S. Income Tax Return for Estates & Trusts
 ☐ 1065 - U.S. Return of Partnership Income (1065 and 1065-B)
 ☐ 1120 - Corporate Income Tax Return (1120, 1120-F, 1120-S) and Application for Extension to File (7004)
 ☐ 1120POL - U. S. Income Tax Return for Certain Political Organizations
 ☐ 2290 - Heavy Highway Vehicle Use Tax Return
 ☐ 720 - Quarterly Federal Excise Tax Return
 ☐ 8849 - Claim for Refund of Excise Taxes
 ☐ 94x - Annual and Quarterly Employment Tax Returns (940/941/944 - EMS only)
 ☐ 990 - Return of Organization Exempt from Income Tax (990, 990-EZ, 990-N, 990-PF) and Application for Extension to File (8868)
 ☐ ETD - F56/2350/2688/4868/9465

Select '1040' Only

• Select **Add** to add an e-file form.

Figure 6-7

Continued on the next page

## Submitting the Electronic Application (continued)

### Application Summary

e-services	On-line Tutorials	Help	Mailbox	Sign out	Contact Us
------------	-------------------	------	---------	----------	------------

#### e-file Application : Application Summary

Name: VITA Community Library S11111111

<b>Legal Name:</b> Vita Community Library S11111111	<b>Business Type:</b> Volunteer Organization
<b>Physical Address:</b> 2038 SPRING DALE AVE ALEXANDRIA, MA 22202	<b>Phone:</b> 001 (555)444-2121
<b>Mailing Address:</b> 22 Boston Rd Bostn MA 02222	<b>Fax:</b> 001 (555)444-2131
<b>Primary Contact:</b> LOIS LEBORING	<b>Phone:</b> 001 (703)891-6519
<b>Alternate Contacts:</b> Boston Territory Office	<b>Fax:</b> 001 (555)444-1213
<b>Principal(s):</b>	
<b>Responsible Official(s):</b> LOIS LEBORING	<b>Terms Of Agreement Signed</b>
<b>Principal Consent:</b>	

Review Information

Figure 6-8

Continued on the next page

### Submitting the Electronic Application (continued)

### Application Submission and Completion

e-services	On-line Tutorials	Help	Mailbox	Sign out	Contact Us
------------	-------------------	------	---------	----------	------------

**e-file Application: Application Submission & Completion**

Name: VITA Community Library S11111111

You have completed the application process and all required information has been entered. You are now able to submit this application for review and approval by the IRS.

This firm and employees will comply with all of the provisions of the Revenue Procedure for Electronic Filing of Individual Income Tax Returns and Business Tax Returns, and related publications, for each year of our participation. Acceptance for participation is not transferable. I understand that if this firm is sold or its organizational structure changes, a new application must be filed. I further understand that noncompliance will result in the firms and/or the individuals listed on this application, being suspended from participation in the IRS e-file program. I am authorized to make and sign this statement on behalf of the firm.

Please enter your PIN to accept the terms for this application. Your PIN is *not* selected when you registered.

PIN (Required):

Enter PIN that was created when registering for e-services

[e-file application Menu Page](#) [Add Comment\(s\)](#) [Go to Summary Page](#)

**When you have finished Application Submission, you may do any of the following:**

- Select *Previous* to go back to the Application Comments page.
- Select *Submit* to submit this application.
- Select *Cancel* to exit the application.

[Previous](#) [Submit](#) [Cancel](#)

Figure 6–9

Continued on the next page

### Submitting the Electronic Application (continued)

### Tracking Number

e-services	On-line Tutorials	Help	Mailbox	Sign out	Contact Us
------------	-------------------	------	---------	----------	------------

**e-file Application : Submission Complete**

---

Name: VITA Community Library S11111111

---

Thank you for submitting your e-file application to the IRS. If a Principal/Responsible Official listed on the e-file application is required to submit Fingerprint Card(s) or Proof of Professional Status, then they must forward this information to the following address within thirty (30) days of the submission of this application:

Andover Submission Processing Center  
310 Lowell Street Stop 983  
Andover MA. 01812

Please include the tracking number below with your Fingerprint Card(s) and/or Proof of Professional status. This information must be received in order for your e-file application to be processed.

For additional information regarding Fingerprint Cards or Proof of Professional Status, please click this link. [To Become an Authorized IRS e-file Provider.](#)

If you have any questions, please call the e-help desk at 1-866-255-0654.

**Tracking Number**  
**20100513080107187332**

**Figure 6–10**

After the process is complete, the responsible official should print the tracking number. Tracking numbers can be used to search and check the status of a submitted e-file application.

Continued on the next page



### Territory Office Responsibility

Partners may contact their SPEC territory office for:

- **Associating a responsible official with an existing EFIN application:** If a volunteer has an EFIN but is not registered in e-Services, they will need to register for e-Services and then provide their SPEC relationship manager (RM) with the following information: Name, Position Title, U.S. Citizen Status, Social Security Number, Date of Birth and E-mail Address.
- **Adding a second responsible official (RO) to an existing EFIN application:** If a volunteer has an EFIN and is registered for e-Services but wants to add a secondary RO, the secondary RO needs to register for e-Services and then provide their relationship manager with the following information: Name, Position Title, U.S. Citizen Status, Social Security Number, Date of Birth and E-mail Address.
- **Deleting a responsible official (RO) from an existing EFIN application:** If the RO for an existing EFIN application is no longer working in the VITA/TCE Programs, the partner will need to find a replacement responsible official, have the responsible official register for e-Services, and then provide their relationship manager with the following information: **Name, Position Title, U.S. Citizen Status, Social Security Number, Date of Birth and E-mail Address.**

**Do not contact** the Territory Office if the volunteer is having problems registering for e Services. Instead, the volunteer should contact the e-Help desk for assistance at 1-866-255-0654.

## Monitoring e-file Applications

### Verifying New e-file Applications

Once the site is accepted into the e-file program the Partner is responsible for providing their SPEC relationship manager with the EFIN to update SPEC's internal database.

### Revising e-file Application

Partners and SPEC employees share the responsibility for revising and updating the e-file application within 30 days of changes to the information on their current application.

Revision of the application is required when a change is made to:

- Firm/Site name
- An address
- A telephone number
- e-mail addresses
- Contact persons
- Responsible official

**Exception:** A new application must be submitted for:

- A new site
- Previously suspended partner/site from the VITA/TCE Programs
- No EFIN activity for two years

**Note:** Partners do not need to reapply for an EFIN each year as long as they continue to e-file returns.

### Temporarily Inactive

There are some situations when a site will be inactive for a period of time and the EFIN is temporarily inactive, such as:

- Building construction
- Equipment issues
- Lack of volunteers

Continued on the next page

### Permanently Inactive

There are some situations when a site will be permanently inactive and the VITA/TCE EFIN needs to be deactivated, such as:

- Refusal to adhere to SPEC Quality Site Requirements.
- Site closed and will not be operational in the future.
- Unethical practices in return preparation including failure to comply with:
  - Publication 3112, *IRS e-file Application and Participation*,
  - Publication 3189, *Volunteer e-file Administration Guide*,
  - or
  - Publication 1345, *Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns*.
- Significant unresolved complaints about authorized e-file volunteer return preparation site(s).
- Failure to cooperate with SPEC monitoring efforts.

Additional guidance to assist partners using e-Services with new or revised applications can be found in Training 35028-102, *SPEC – Application to Participate in the IRS e-file Program*. Partners may request this publication from their SPEC relationship manager.

Continued on the next page

## Summary

- 
- Partners must register for e-Services to access the e-file application electronically.
  - New volunteer tax preparation sites must receive a SIDN **prior** to submitting an e-file application.
  - The SPEC Territory Office must be listed as the mailing address on the e-file application if the site is not open for 12 months. This will ensure that mail to the volunteer site is not returned to the e-help Desk and will avoid suspended EFINs.
  - SPEC employees can assist their partners in updating or revising the e-file application.
  - SPEC employees and the partners are responsible for updating e-file applications within 30 days of any changes to the original application.
-

## Summary Exercises

### Summary Exercise 6-1

---

The only method available for submitting an e-file application is:

Answer:

---

### Summary Exercise 6-2

---

A \_\_\_\_\_ must be received prior to requesting an EFIN.

Answer:

---

### Summary Exercise 6-3

---

The user must confirm registration within \_\_\_\_\_ days of receiving the mailed confirmation code to complete the registration process.

Answer:

---

### Summary Exercise 6-4

---

The SPEC territory office must be listed as the mailing address on e-file applications if the site is not open 12 months.

Answer:

☐ True   ☐ False

---

## Answers to Summary Exercises

### Summary Exercise 6-1

---

The only method available for submitting an e-file application is:

Answer:

Using the online Registered User Portal (RUP)

---

### Summary Exercise 6-2

A \_\_\_\_\_ must be received prior to requesting an EFIN.

Answer:

Site Identification Number (SIDN)

---

### Summary Exercise 6-3

The user must confirm registration within \_\_\_\_\_ days of receiving the mailed confirmation code to complete the registration process.

Answer:

28

---

### Summary Exercise 6-4

The SPEC territory office must be listed as the mailing address on e-file applications if the site is not open 12 months.

Answer:

☒ True   ☐ False

---

# Lesson 7

TaxWise

## Overview

This lesson contains the following topics:

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### Additional References



- Publication 3189, *Volunteer e-file Administration Guide*
- Publication 4012, *VITA/TCE Volunteer Resource Guide*
- TaxWise ® Online User Guide
- TaxWise Desktop User Guide

## Introduction

This lesson includes a change to the minimum return requirement for sites in the Volunteer Income Tax Assistance/Tax Counseling for the Elderly (VITA) Programs to receive software in the **2016 filing season**. Additionally, this lesson covers the several changes to the TaxWise Customer Support page, minimum system requirements and troubleshooting tips which will enable partners and volunteers successful start of the 2015 filing season.

## Objectives

By the end of this lesson, you will be able to:

1. Explain changes to the minimum return preparation policy.
2. Access the TaxWise Solutions Center Landing page.
3. Prevent and solve common TaxWise issues.



### Minimum Returns Preparation Requirements

IRS purchases electronic return preparation and transmission software for SPEC VITA and TCE partners/volunteers to use in preparing and transmitting tax returns for low-to-moderate income, elderly, disabled, and limited English proficient taxpayers.

SPEC territory offices are responsible for ensuring qualified sites receive tax preparation software. New VITA/TCE sites and returning sites that prepare a minimum number of accepted e-file returns during the prior fiscal year are eligible to receive electronic return preparation software. The current minimum requirement is 35 and has not changed for many years.

Effective October 1, 2014, the minimum returns requirement for software will increase from 35 to 50. This new policy applies to software orders placed for **Filing Season 2016**. Territories will use Filing Season 2015 production to determine if sites meet this new minimum requirement.

**Example 1:** Partner A produced 40 returns during 2014 filing season. It is time for your relationship manager to order tax software for Partner A for 2015 filing season. Since the new policy begins for the 2016 filing season, the minimum requirement of 35 returns has been met.

**Example 2:** Partner B produced 40 returns during 2015 filing season. It is time for your relationship manager to order tax software for Partner B for 2016 filing season. For the **2016** filing season, the new policy is in effect; therefore, the minimum requirement of 50 returns has not been met.

The delayed implementation of the new minimum return preparation policy will allow SPEC Relationship Managers to work with their partners in developing strategies to improve production at sites not meeting the minimum requirement.

### Exception Requirement

A tax software exception can be granted, in some cases, to those sites not meeting the required minimum returns prepared. SPEC territory managers have the authority to provide software to sites where the minimum requirement is not met. The partner should discuss with their relationship manager any justification for a software exception request. This should include a plan of action by the partner such as a reasonable way to reach the minimum number of returns. The exception request **must** be approved **prior** to ordering the software.

## Minimum System Requirements

### Compatibility

The TaxWise application for 2014 has been fully tested for compatibility with Windows 8 and will fully support Windows 8 and Windows 8.1. Partners are strongly encouraged to follow the recommended system requirements when using the software for tax year 2014. Windows XP does not meet minimum system requirements for TaxWise programs for Tax Year 2014.

For the best results, TaxWise recommends the following for the 2015 filing season:

Minimum System Requirements	Recommended System Requirements
<ul style="list-style-type: none"><li>• Microsoft Windows 7 (32-bit or 64-bit, with the latest service pack)</li><li>• 800 MHz processor</li><li>• 512 MB of RAM</li><li>• 1 GB of available hard drive space (per tax year)</li><li>• 8X speed CD-ROM</li><li>• 800 x 600 color monitor with 16-bit color video card</li><li>• Microsoft Internet Explorer 8.0 (with the latest service pack)</li><li>• High speed internet of 800 kbps minimum (Internet access required)</li><li>• PCL6 compatible printer. A laser printer is required for printing W-2 and 1099 Forms with TaxWise W-2/1099 and Payroll Compliance Reporting programs.</li><li>• Ethernet network card (required for network installations only)</li><li>• Adobe Reader (version 8.1 or higher)</li></ul>	<ul style="list-style-type: none"><li>• Microsoft Windows 7 (32-bit or 64-bit, with the latest service pack)</li><li>• 2.0 GHz processor or higher</li><li>• 2 GB or more of RAM</li><li>• 1 GB of available hard drive space (per tax year)</li><li>• 32-speed or higher CD-ROM Drive</li><li>• Super VGA 1024 x 768, High Color/16 Bit display or better</li><li>• Microsoft Internet Explorer 8.0 (with the latest service pack)</li><li>• A high-speed Internet connection (DSL, cable modem, or T1/T3)</li><li>• A file backup system (backup tape, removable hard drive, CD-R, DVD-R, or similar)</li><li>• PCL6 compatible printer</li><li>• Ethernet network card (required for network installations only)</li><li>• Adobe Reader (version 8.1 or higher)</li></ul>

### Platform Issues

There are many factors that affect the performance of internet-based programs like TaxWise Online.

The speed of the processor and amount of memory installed in your computer, along with which version of Internet Explorer and how the Security Settings are set can impact performance. To help identify connection issues, VITA/TCE sites should address the following factors:

- **Multiple Computers:** While it depends on the bandwidth speed of the internet connection, multiple computers accessing a secured internet site at one time will cause a slower response time from your internet provider.
- **Proxy Servers:** VITA/TCE sites being routed through a proxy server will slow down the sites' ability to download the TaxWise Online pages.
- **System Backups:** If the location that hosts your site has a system backup at the same time each day, it is very likely that your connectivity will slow down during the backup process.
- **Antivirus/Internet Security Software:** Antivirus software can significantly slow your computer. Most include an 'internet security' component which can totally block access to web sites and programs. TaxWise recommends turning off any antivirus programs while accessing TaxWise Online or adding TWO as a safe access site. In addition, if your anti-virus software interferes with the TaxWise Desktop installation, sites can disable it for the duration of the installation, but always re-enable it once the installation is complete.
- **Firewalls:** Firewalls are another component of internet security that can totally block access to web sites and programs. To prevent unauthorized access, firewall software is encouraged on all computers connecting to the Internet. However, TaxWise recommends turning off any firewalls necessary to access TaxWise Online since the software utilizes encrypted communication.
- **Minimum Connection Speed:** The recommended minimum download speed is 800 Kilobits per second. If the site's connection is slower, TaxWise strongly recommends the use of the Classic mode. This mode allows the user to decide when the return is refreshed, rather than the return refreshing with each entry. To test your connection speed, use the TaxWise Speed Test as shown in the next section.

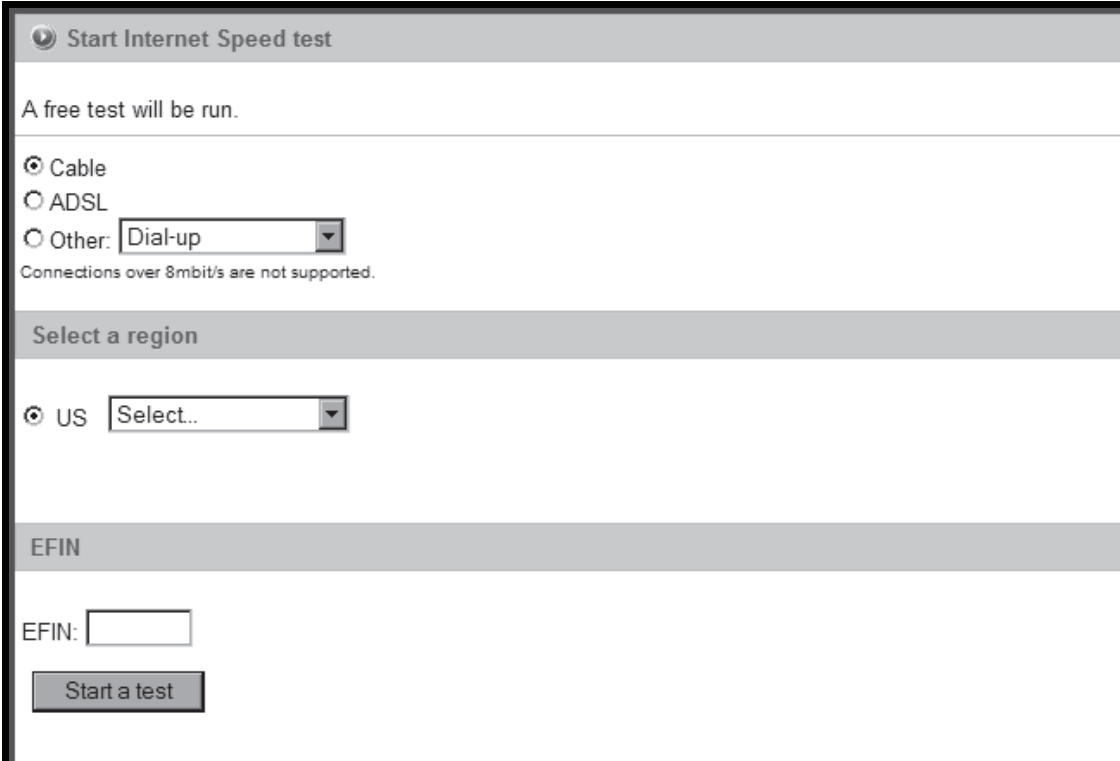
Continued on the next page

### TaxWise Speed Test

TaxWise provides a specialized utility to test your internet connection speed. The TaxWise Speed Test is more accurate and it simulates connectivity and packet downloads from a secured internet portal that is utilizing encrypted communication like TaxWise Online.

The minimum internet connection rate should be 800 Kilobits per second or higher. Your connection rate can be verified by accessing <http://speedtest.TaxWise.com> or by clicking the link from the Homepage of TaxWise Online.

When you first access the web site, you will see the following screen:



The screenshot shows a web form titled "Start Internet Speed test". It includes a message "A free test will be run." and three radio button options for internet type: "Cable" (selected), "ADSL", and "Other:" with a dropdown menu showing "Dial-up". A note states "Connections over 8mbit/s are not supported." Below this is a section "Select a region" with a radio button for "US" and a dropdown menu showing "Select..". Further down is a section "EFIN" with a label "EFIN:" and an empty text input field. At the bottom is a "Start a test" button.

To perform the test, use the following steps:

1. Select the type of internet you are using.
2. Select the state where you are currently located.
3. Enter your EFIN. (If you do not have an EFIN assigned to you, enter the generic EFIN 070743.)
4. Click the **Start a Test** button.

Continued on the next page

## TaxWise Speed Test

(continued)

Once you click Start a Test, your results will display, as shown below:

Personal test results	
<b>Speed</b>	
<b>1.24Megabits per second</b>	
Communications	1.24Megabits per second
200KB file download	1.266 seconds
<b>Info</b>	
Date & time	Thursday, June 09, 2011 - 1:36:43 PM*
Data size	200KB
IP address	208.73.85.14
Type	Cable
* EDT (-0400)	
<b>Comparison</b>	

If your Internet speed does not meet the minimum required speed, you may want to consider using Classic Mode. Classic Mode turns off field level calculations and allows you to move through the program more quickly.

The primary things you will lose are the ability for the pages to automatically calculate and refresh as you move through the form and the calculator.

In **Classic Mode**, click the **Save Return** button to refresh the web pages.

TaxWise suggests switching to **Classic Mode** in TaxWise Online when the following conditions are present:

- Internet connection is lower than 800KB
- Sluggish functionality while using the menu or switching forms.
- Using a proxy server that does not support HTTP 1.1

**To switch TaxWise Online to Classic Mode, use the following steps:**

1. Login as the **Admin** user.
2. Click the **Settings** icon on the toolbar.
3. Select the **Advanced** option.
4. Check the **Use Classic Mode to Display Tax Returns** check box.

Advanced Settings	
<input checked="" type="checkbox"/>	<b>Use Classic Mode to Display Tax Returns</b> This will disable the auto-refresh feature while entering data <b>Note: You will have to select <b>Save Return</b> to refresh the data on the page.</b>

Click the **Save and Close** button.

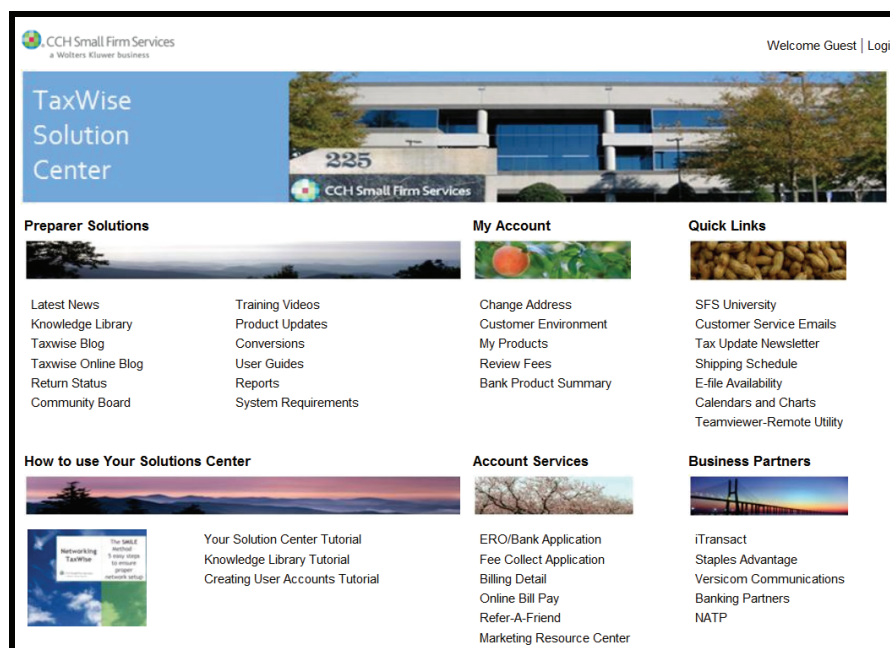
## TaxWise Solution Center

You can access the TaxWise Solution Center through TaxWise or from the TaxWise website.

The Quality Site Requirement Alerts and Volunteer Tax Alerts are posted on TaxWise Solution Center under the Volunteer News page. The link to the solution center is <http://support.taxwise.com>. Users will have to login to access the Volunteer page which is located on the Home Page.

### Navigating Landing Page

The TaxWise Solution Center landing page is designed to allow you and your volunteers quick and easy access to tools such as Latest News, the Knowledge library, and the blogs.



The launch page contains multiple links that allow you to quickly access important information. You can access the following information without logging in:

- Latest News
- Knowledge Library (Knowledge Base)
- TaxWise Blog
- TaxWise Online Blog
- Tax Update Newsletter
- E-file Availability of Forms

Continued on the next page

### Navigating Landing Page (continued)

The IRS-tax law certified volunteer must log into TaxWise Solution Center, to access personal account and tax return information. After logging in, to the TaxWise Solution Center the available links are:

- **Manage e-filed returns**
  - See the status of an e-filed return
- **Access tools**
  - Access TaxWise Communities
  - Access Your Tax Research

### Login Page

To log into the Customer Solution Center, TaxWise displays the **TaxWise Solution Center Launch** page.

1. Click **Login** (in the upper right corner)

**Client Login**

Please login to your account by completing the form below

Client ID

Username

Password

☐ Remember Me

Warning:  
Three unsuccessful login attempts  
will lock your account.

Forgot your password? Click [here](#)

- Must be at least 8 characters in length
- Must not exceed 100 characters
- Must contain at least one number
- Case-sensitive
- Cannot contain the user name
- Cannot reuse any of your last 10 passwords
- Must be unique to the Client ID
- Passwords expire every 90 days

[Need Help?](#)

To log in for the first time as the administrator or **Admin** user, use the following steps:

2. Type your site's Client ID in the **Client ID** box.
3. Type the username Admin in the **Username** box.
4. Type the registration code from your software in the **Password** box.
5. Click **Login**.

The TaxWise Solution Center prompts you to create a new password for **Admin** select a question, and create a secret answer to the question.

Continued on the next page

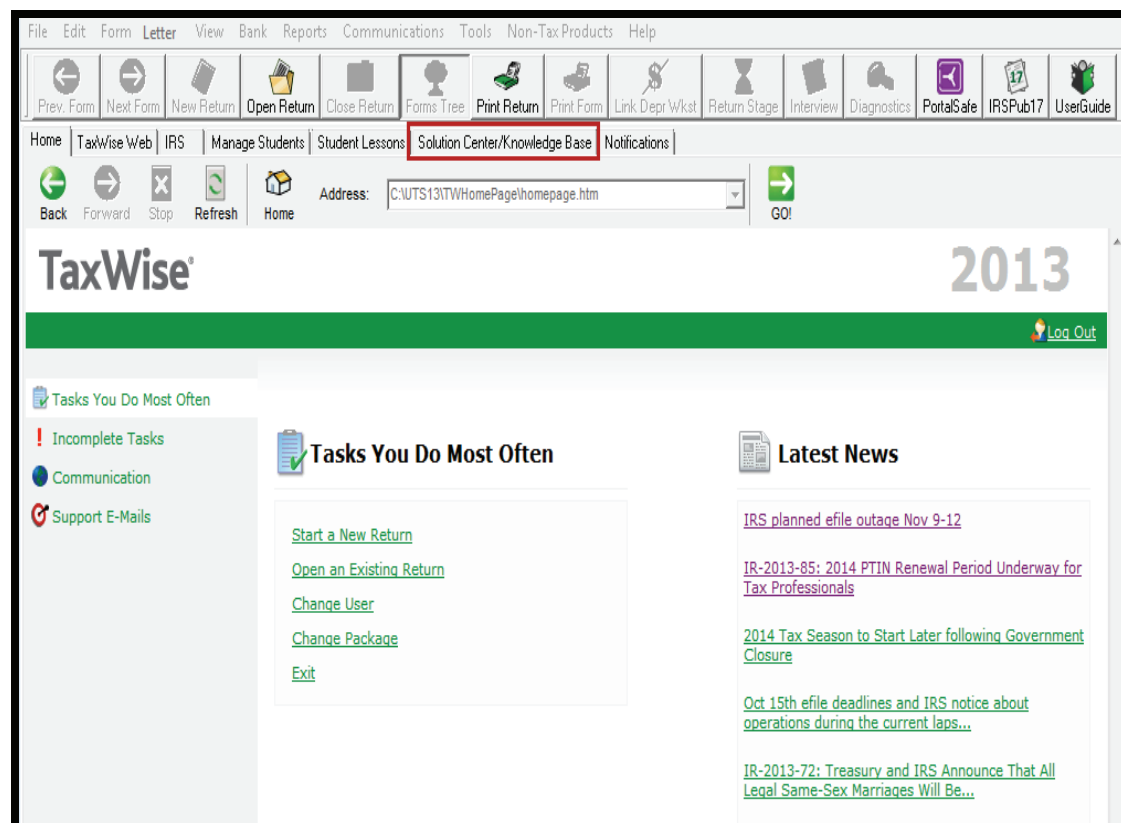
### Login Page (continued)

To log in for the first time as a user, use the following steps:

6. Type your site's Client ID in the **Client ID** box.
7. Type the username provided by your administrator in the **Username** box.
8. Type your username in the password box. This box is case-sensitive.
9. Click **Log In**.

The TaxWise Solution Center prompts you to create a new password, select a question, and create a secret answer to the question.

TaxWise Desktop users may also access the TaxWise Solution Center, by selecting the Solution Center/Knowledge Base tab on the TaxWise Desktop home page.





## TaxWise Features

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### New for 2015 Filing Season

TaxWise supports several features to reduce the burden on IRS-tax law certified volunteers.

For the 2015 filing season:

- Migration of TaxWise Desktop (TWD) feature to TaxWise Online (TWO):
  - SPEC has had a large initiative to move most VITA/TCE sites to TaxWise Online (TWO). CCH Small Firm Services (SFS) is working to expand the TWO features to align with TWD for a better transition experience.
- Improvement on the ability to manage returns
  - Enhancing the Return List to allow preparers to gather taxpayer data in one location
  - CCH SFS will be adding Google Chrome as a browser

**Note:** The Google Chrome browser is not usable when using the Classic Mode.

---

### Relational EFIN

A relational EFIN is used to allow designated sites to have reporting capabilities for other associated sites. This relationship is established during the ordering process and requires the site to fill out the Regional Office Disclosure form. This form automatically loads in the forms tree and must be completed before the return can be e-filed. Once a return is e-filed an update is sent to the Regional Office so that they can run reports. Reports must be run from the Solution Center for TaxWise Online (TWO) users. If this relationship is established after e-filing begins the reports will only contain information from the time the relationship is established. It is not retroactive to the beginning of the filing season.

---

### Template Subscriber

The ability to share customized or modified templates with other sites is referred to as Template Subscriber. TaxWise Online has a master template with defaults that are pre-set in accordance with guidelines outlined in Publication 3189, *Volunteer e-file Administration Guide*. Additionally, site/local coordinators are allowed to send customized templates to sites under their control they wish to add information and/or forms to the pre-set master template. Only TWO allows users to send return templates to other designated sites.

Requests for Template Subscriber must be made at the time the software order is placed.

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Continued on the next page

### Linked State Returns

TaxWise 1040 support electronic filing for all states with electronic filing programs. TaxWise supports both linked and unlinked returns for MeF state e-files.

Linked state returns (with a separate e-file created) cannot be submitted until the federal return is accepted by IRS.

The linked state e-file is displayed in the **Select Returns to File** dialog as locked. It cannot be selected and transmitted until the **IRS Acpt** column of the federal e-file shows **True**, meaning the IRS has accepted the return. For this reason, sites might consider sending state returns unlinked, especially on the April 15th e-file deadline.

If the federal return is rejected by the IRS, TaxWise will delete any associated state e-files that are waiting to be transmitted. Once you correct the return, be sure you recreate the state e-file in addition to the Federal e-file.

### Unlinked State Returns

Unlinked state returns can be submitted at any time. The federal return is not required to be accepted before the state return is submitted for processing.

Submitting state returns unlinked is critical for e-filing both the federal and state Defense of Marriage Act (DOMA) returns. See Exhibit 7-1, *Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop*, guide to preparing state returns in states that do not recognize Same-Sex Marriages.

Unlinked state returns work the same, in theory, as state-only returns did.

For state MeF returns, TaxWise will default to linked. However, the ERO/Preparer may elect to send the state as unlinked by checking the “Check here if you want to file this return as unlinked” box on the state return.

With TaxWise, IRS-tax law certified volunteers can prepare up to nine state returns with each federal return. On the primary form for each e-file state you must answer the question: **Do you want to electronically file this return?** You should answer **Yes** to this question on each state return you want to e-file.

### Forgotten Password

If an existing user account has been locked out and the **User Account Reset** option is not available, this message is displayed: *Your account has been locked. To regain access, your account administrator must reset your account.* Only the Admin user can add, remove, modify, or view passwords.

Continued on the next page

### Forgotten Password (continued)

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#### For TaxWise Online (TWO) Users:

To reset a password, the TWO Admin user must open **Security Manager** and click **Reset Password** link next to the user's name. The TaxWise Solution Center changes the password to the initial password which is the software registration code for the administrator or the username for other users.

#### For TaxWise Desktop (TWD) users:

The Admin user must go to the **Tools** menu and select **Utilities/Setup Options**. This opens the **Utility** program. Select the **Setup** menu and select **Security Manager**. The Security Manager window displays the **Groups** tab.

The Admin password should be kept in a safe place for TWD users. If the Admin password is forgotten, there is no way to recover it. Site/local coordinators will have to delete the file containing all passwords, and all passwords will have to be re-entered in **Security Manager**. Call Customer Support for instructions on deleting the password file. Only the Admin user can open **Security Manager** to add, remove, modify, or view passwords.

Site/local coordinators should assign a password to the Admin username so unauthorized personnel cannot log in with that username and access **Security Manager**.

### TaxWise Online Additional Security

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With TaxWise Online, you have the ability to access the application from anywhere that has a high speed internet connection. The Admin User should deactivate a username if the volunteer is no longer at the site. An inactive user will no longer have access to any TaxWise Web application. If a site is closing down for the season the Admin User can mark all users as inactive. Then for the next season mark all users as active. Users will then use their username for both username and password when logging on for the first time. The **Admin** user or any user assigned the **Administrator** or **SuperUser** role can still access the returns created by the inactive user.

To deactivate a user in TaxWise Online, use the following steps:

1. Click the **Manage Users** button.

TaxWise Online displays the **User Manager** window.

2. Click the Edit link located next to the appropriate username.

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Continued on the next page

### TaxWise Online Additional Security (continued)

The screenshot shows the 'User Manager' window. At the top, there are several links: 'Create a New User', 'Add/Change Admin Message', 'Show Inactive Users', 'Disable Remote Assistance', and 'Restrict IP Addresses'. Below these links is a table with columns: 'Reset Password', 'Edit', 'UserName', 'FirstName', 'M.I.', 'Last Name', and 'Assigned Roles'. The table contains two rows of user data. The first row shows a user named 'Admin' with the role 'Administrator'. The second row shows a user named 'jsample' with the first name 'Jane', last name 'Sample', and role 'ReturnPreparer'. Each row has 'Reset' and 'Edit' links. A 'Close' button is located at the bottom right of the window.

Reset Password	Edit	UserName	FirstName	M.I.	Last Name	Assigned Roles
<a href="#">Reset</a>	<a href="#">Edit</a>	Admin	Administrator			Administrator
<a href="#">Reset</a>	<a href="#">Edit</a>	jsample	Jane		Sample	ReturnPreparer

TaxWise Online displays the Edit Users window.

3. Clear the **Is Active User** Check box.
4. Click the **Save** button.

The screenshot shows the 'Edit User' window. It contains fields for 'User Name' (jsample), 'Real Name' (Jane), and 'Email Address' (Jane.Sample@test.com). The 'Is Active User' checkbox is checked and highlighted with a red box. Below these fields is a section titled 'Assign Roles' which is divided into two columns: 'Possible Roles' and 'Assigned Roles'. Under 'Possible Roles', 'SuperUser' and 'TemplateManager' are listed. Under 'Assigned Roles', 'ReturnPreparer' is listed.

### Restrict IP Addresses

The **Restrict IP Addresses** feature gives you the flexibility of restricting application access to your site and to selected users (such as the Admin Users).

Your site must have a **Static IP** address to utilize this feature. This means that your IP address does not change each time you access the internet.

Continued on the next page

### TaxWise Online Additional Security (continued)

To restrict the IP Address, follow these steps:

1. Click the **Manage Users** button.

TaxWise Online displays the **User Manager** window.

2. Click the Restrict IP Addresses link.

User Manager

### User Manager

[Create a New User](#)
[Add/Change Admin Message](#)
[Show Inactive Users](#)
[Enable Remote Assistance](#)
[Restrict IP Addresses](#)

Reset Password	Edit	UserName	FirstName	M.I.	Last Name	Assigned Roles
<a href="#">Reset</a>	<a href="#">Edit</a>	Admin	Administrator		Sample	Administrator
<a href="#">Reset</a>	<a href="#">Edit</a>	jsample	Jane		Sample	ReturnPreparer

[Close](#)

TaxWise Online displays the Restrict IP Addresses window. Type the IP addresses you want to allow access to the TaxWise Online application in the **IP Address to Add** box. Click the **Add** button to add the IP address.

3. Click the **Close Window** button when complete.

Allow users at this office to access this website from the following IP addresses only.  
If any IP addresses are in this list ONLY these IP Addresses will be allowed to login to this application.

Add IP Address to list

IP Address to Add:

[Add](#)

[Remove Selected IP Addresses](#)

[Close Window](#)

### TaxWise Online Remote Assistance

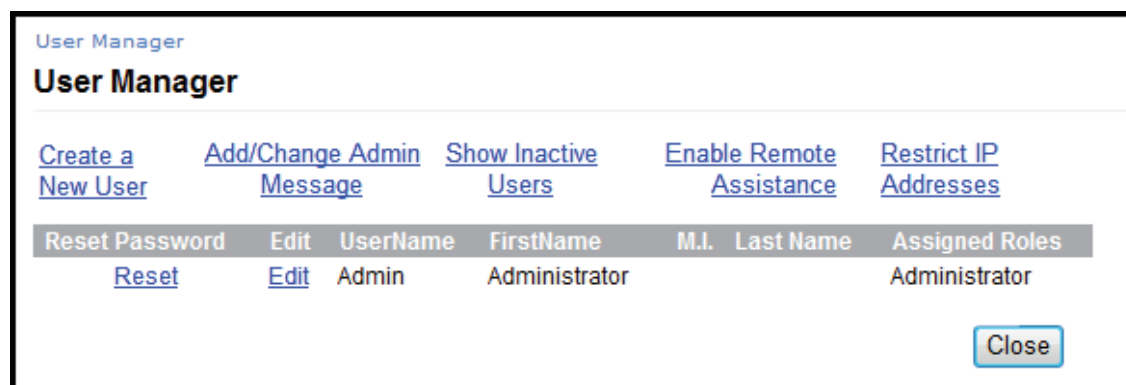
There are times when TaxWise Support is needed to provide assistance with a tax return. An authorized Customer Support representative will provide assistance by viewing the actual return.

To Enable Remote Assistance using TaxWise Online, use the following steps:

1. Click the **Manage Users** button.

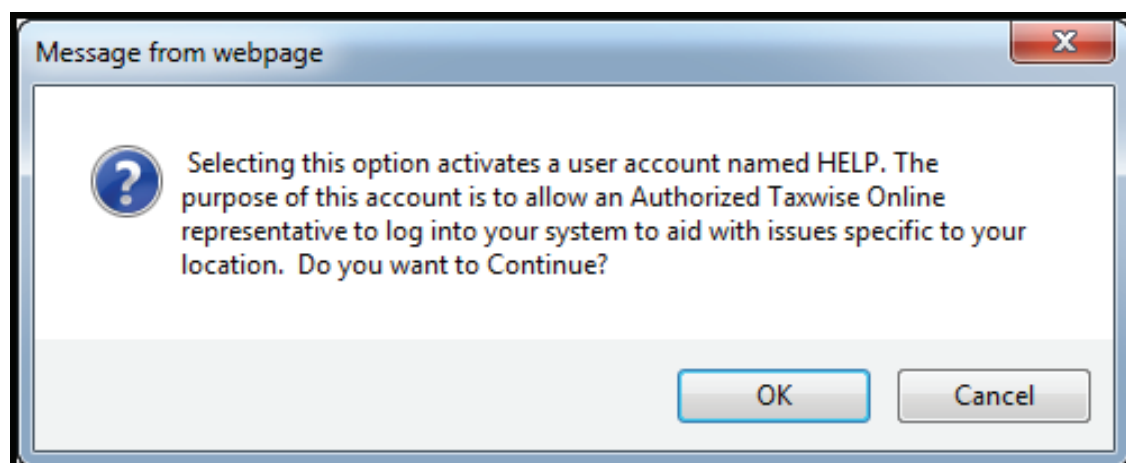
TaxWise Online displays the User Manager window.

2. Click the **Enable Remote Assistance** link.



TaxWise Online displays a confirmation message.

3. Click the **OK** button to confirm.



Continued on the next page

## TaxWise Online Remote Assistance

(continued)

TaxWise Online displays the **User Manager** with the **Help** username:

If you are a returning TaxWise Online user and the **HELP** user already exists, the **Return Preparer** and **Administrator** roles need to be added to the **HELP** user.

- Click the **Edit** link and add **Return Preparer** and **Administrator** roles to the **Help** username.

The screenshot shows the 'User Manager' window. At the top, there are five links: 'Create a New User', 'Add/Change Admin Message', 'Show Inactive Users', 'Disable Remote Assistance', and 'Restrict IP Addresses'. Below these links is a table with columns: 'Reset Password', 'Edit', 'UserName', 'FirstName', 'M.I.', 'Last Name', and 'Assigned Roles'. The table contains three rows: 'Admin' (Administrator), 'HELP' (Remote Assistance, ReturnPreparer), and 'jsample' (Jane Sample, ReturnPreparer). A 'Close' button is at the bottom right.

Reset Password	Edit	UserName	FirstName	M.I.	Last Name	Assigned Roles
<a href="#">Reset</a>	<a href="#">Edit</a>	Admin	Administrator			Administrator
<a href="#">Reset</a>	<a href="#">Edit</a>	HELP	Remote		Assistance	ReturnPreparer
<a href="#">Reset</a>	<a href="#">Edit</a>	jsample	Jane		Sample	ReturnPreparer

If you are a first time TaxWise Online user, the application creates the **HELP** username and automatically assigns the **Administrator** and **Return Preparer** roles to it.

- Click the **Save** button to apply the roles.

The **User Manager** displays the Assigned Roles for the **Help** user.

This screenshot is identical to the previous one, but the 'Assigned Roles' for the 'HELP' user are now 'ReturnPreparer, Administrator', which are highlighted with a red box. The 'Close' button remains at the bottom right.

Reset Password	Edit	UserName	FirstName	M.I.	Last Name	Assigned Roles
<a href="#">Reset</a>	<a href="#">Edit</a>	Admin	Administrator			Administrator
<a href="#">Reset</a>	<a href="#">Edit</a>	HELP	Remote		Assistance	ReturnPreparer, Administrator
<a href="#">Reset</a>	<a href="#">Edit</a>	jsample	Jane		Sample	ReturnPreparer

You may Disable Remote Assistance at any time

### TaxWise Desktop Assistance

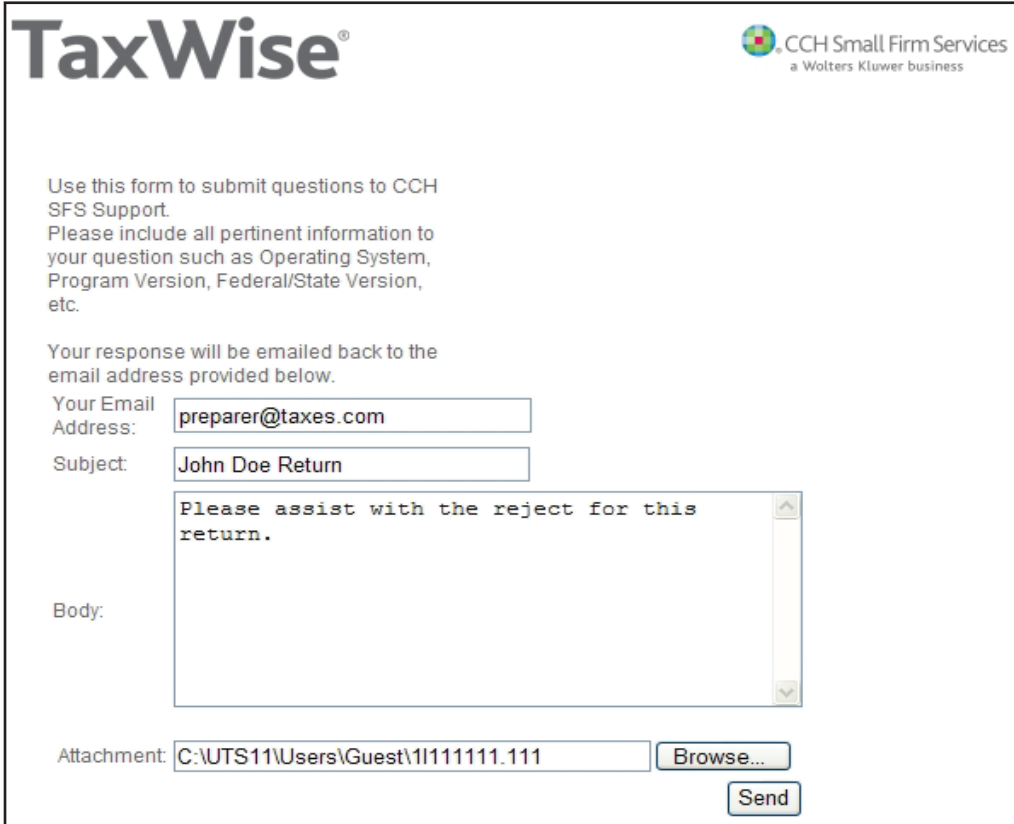
For assistance from Customer Support, desktop users can send a mail message to CCH Small Firm Services (SFS) support for assistance with your TaxWise Desktop software or a tax return.

#### To send mail to SFS support, use the following steps:

1. Do one of the following:

- Click the **Communications** menu and select **Send Mail to SFS Support**, or
- Click the **Communications** link on the TaxWise home page and select **Send Mail to SFS Support**.

TaxWise opens a separate browser window and displays the Send Mail to SFS form.



The screenshot shows a web form titled "TaxWise" with the CCH Small Firm Services logo in the top right corner. The form contains the following elements:

- Instructions:** "Use this form to submit questions to CCH SFS Support. Please include all pertinent information to your question such as Operating System, Program Version, Federal/State Version, etc."
- Response Info:** "Your response will be emailed back to the email address provided below."
- Your Email Address:** A text box containing "preparer@taxes.com".
- Subject:** A text box containing "John Doe Return".
- Body:** A large text area containing the text "Please assist with the reject for this return."
- Attachment:** A text box containing "C:\UTS11\Users\Guest\11111111.111" and a "Browse..." button.
- Send:** A "Send" button at the bottom right.

2. Enter your email address, subject of the message and body of the message.

3. To attach a file(s) to the mail message, click the **Browse** button.

**NOTE:** This support page has been update to include a field for the Client ID.



### TaxWise Desktop Assistance (continued)

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TaxWise displays the **Choose File** window.

4. Browse to the location of the file you wish to attach and click **Open**.

TaxWise attaches the file to the mail message.

Only one file can be attached per mail message. If you need to attach multiple files, they must be zipped into one.

5. Click **Send**.

You will receive a response from SFS Support to the email address you provided when sending the mail message.

---

## Trouble Shooting TaxWise

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Here are a few common issues, along with the explanation and action needed to resolve the issue. Below are troubleshooting tips users can try prior to contacting TaxWise Customer support for Online Users.

---

### Internet Explorer

**Issue:** Error box stating “Microsoft Internet Explorer has encountered a problem and needs to close. We are sorry for the inconvenience”.

**Explanation:** This is not a TaxWise Online issue; rather it is an Internet Explorer error that usually indicates there is an interruption in the internet connection.

**Action:** Check your internet connection or cable to ensure that you are connected to the internet.

---

### Sendfailed Message

**Issue:** After trying to submit an e-file, an error message displays **SENDFAILED**.

**Explanation:** This means that the e-file was created, but the return could not be submitted to the Electronic Filing Center (EFC). This is generally caused by extraneous characters in the return.

**Action:** To correct the “Sendfailed” error, use the following steps:

1. Open the return and locate any extraneous characters, such as punctuation, special characters, number characters in alphabetical fields, or alpha characters in numeric fields. Often you will find these on W2's, 1099's, or in the Preparer Information section.
2. Remove the extraneous characters.
3. Run diagnostics, recreate the e-file, and resend.

If you continue to receive a SENDFAILED status, please contact Customer Support by CHAT, PHONE or Email for assistance.

---

### Diagnostic Failure to Display

**Issue:** When trying to run diagnostics, no diagnostic information displays, or a section of the screen is blank.

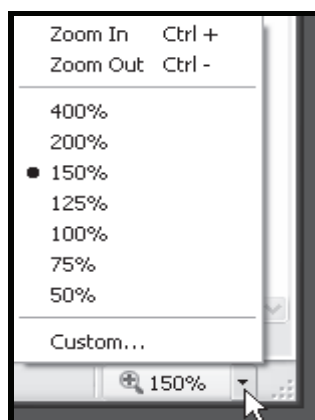
**Explanation:** This is normally due to a combination of screen resolution and Internet Explorer zoom settings.

**Action:** To correct this error, use the following steps:

1. At the lower right corner of the Internet Explorer window, click the drop-down arrow beside the zoom percentage shown in the status bar:
- 

Continued on the next page

### Diagnostic Failure to Display (continued)



2. Click **100%** to change the zoom setting back to normal.
3. Diagnostics should now display properly.

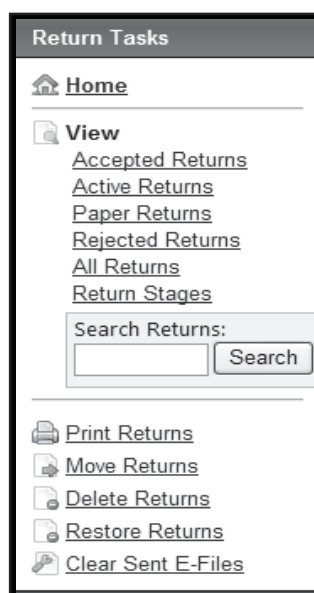
### Delete Pending e-files

**Issue:** In TaxWise Desktop, there is a function to **Delete Pending E-Files**. How do I delete pending e-files in TaxWise Online?

**Explanation:** In TaxWise Online, this functionality is referred to as **Clear Sent E-Files**.

**Action:** To **Clear Sent E-Files**, use the following steps:

1. Click the **Clear Sent e-Files** button at the bottom of the **Return Tasks** section of the home page:



2. Click **Clear Federal** beside the desired e-files and click the **Close** button.

For TaxWise Desktop users, open the Utility from the **Tools** menu in TaxWise, open the File menu, and select **Delete Pending e-Files**.

### TaxWise Desktop Automatic Updates

TaxWise Online requires no updates. The software is updated by TaxWise and made immediately available for all workstations accessing TaxWise Online

However, TaxWise Desktop allows users to get updates on a scheduled basis, so all updates are downloaded before the site opens.

TaxWise typically delivers updates between 7:00am-8:00am EST. Make sure computer clocks are set correctly; the time is pulled from the system time on computers.

In order to automatically download updates, users must be logged in to TaxWise as a user that has rights to the **Get Module Updates** and **Get Program Updates** menu options.

**To download program updates automatically, use the following steps:**

1. Login as the Admin user.
2. Click the **Tools** menu and select **Schedule Auto Events**.

TaxWise displays the **Schedule Automatic Events** window:

The screenshot shows the 'Schedule Automatic Events' dialog box. It is divided into three sections:

- Ack Retrieval Options:** Contains a radio button for 'Enable Auto Get Acks' (which is selected), a 'Workstation' dropdown menu set to '0', and 'Time Interval' spinners for 'Hours' (0) and 'Minutes' (30). There is also an unselected radio button for 'Disable Auto Get Acks'.
- Module Update Options:** Contains a radio button for 'Enable Auto Update' (which is selected), a 'Workstation' dropdown menu set to '0', a 'Time of Day' spinner set to '7:30 AM', and an unselected radio button for 'Disable Auto Updates'.
- Return Save Options:** Contains a radio button for 'Enable Auto Return Save' (which is selected), a 'Time Interval' spinner set to '1' minute, and an unselected radio button for 'Disable Auto Return Save'.

At the bottom of the window are three buttons: 'Save', 'Cancel', and 'Help'.

3. Click the **Enable Auto Update** radio button in the Program Update Options section.
4. Select the applicable workstation for which the automatic downloads are needed.
5. Select the applicable time of day when the site wishes to automatically download updates.
6. When finished making changes, click **Save** to save and close this window.

## Summary

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- Effective October 1, 2014, the minimum returns requirement for software will increase from 35 to 50. This new policy applies to software orders placed for Filing Season 2016.
  - While it depends on the bandwidth speed of the internet connection, multiple computers accessing a secured internet site at one time will cause a slower response time from your internet provider.
  - There are several issues that may slow down your internet connection.
  - The recommended minimum download speed is 800 Kilobits per second or higher. If the site's connection is slower, TaxWise strongly recommends the use of the Classic mode.
  - With TaxWise Online, you have the ability to access the application from anywhere that has a high speed internet connection. The administrator should deactivate a username if the volunteer is no longer at the site.
  - There are some common issues with TaxWise that require certain actions to resolve the issue before contacting TaxWise Customer support.
-

## Summary Exercises

### Summary Exercise 7-1

While it depends on the bandwidth speed of the internet connection, multiple computers accessing a secured internet site at one time will cause a slower response time from your internet provider.

Answer:

☐ True   ☐ False

### Summary Exercise 7-2

How many Kilobits per second is the minimum internet connection rate for TaxWise Online?

Answer:

### Summary Exercise 7-3

An unlinked state return requires the federal return to be accepted before the state return is submitted for processing.

Answer:

☐ True   ☐ False

### Summary Exercise 7-4

Effective July 1, 2014, the minimum returns requirement for software will increase from 35 to 50.

Answer:

☐ True   ☐ False

## Answers to Summary Exercises

### Summary Exercise 7-1

While it depends on the bandwidth speed of the internet connection, multiple computers accessing a secured internet site at one time will cause a slower response time from your internet provider.

Answer:

☒ True   ☐ False

### Summary Exercise 7-2

How many Kilobits per second is the minimum internet connection rate for TaxWise Online?

Answer:

800 Kilobits per second

### Summary Exercise 7-3

An unlinked state return requires the federal return to be accepted before the state return is submitted for processing.

Answer:

☐ True   ☒ False

Unlinked state returns can be submitted at any time. The federal return is not required to be accepted before the state return is submitted for processing.

### Summary Exercise 7-4

Effective July 1, 2014, the minimum returns requirement for software will increase from 35 to 50.

Answer:

☐ True   ☒ False

Effective October 1, 2014, the minimum returns requirement for software will increase from 35 to 50. This new policy applies to software orders placed for Filing Season 2016.

## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop

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### How to prepare state returns in states that do not recognize Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop

**Note:** This document is intended to provide guidance to VITA/TCE sites on three alternatives available for preparing State Returns in those states that do not recognize Same-Sex Couple Marriages when using TaxWise® software. The first scenario is the most complicated but allows for e-filing of both Federal and State returns for States that allow **“Unlinked”** returns. The second and third scenarios require paper filing but are far less complex.

---

#### Scenario 1: Use TaxWise® Online or TaxWise® Desktop

##### Situation:

Volunteer prefers to e-file all Federal and State returns  
Single / HOH State returns must be filed UNLINKED  
Joint Federal return filed AFTER both state returns are accepted

##### Process:

Before you begin the State return, verify the State laws directly from the state. In addition, make sure your State allows returns to be e-filed **unlinked** to the Federal tax return. If the State does not allow unlinked State tax returns, consider using one of the other two scenarios.

To prepare and transmit separate electronically filed State tax returns, use the following steps:

##### Preparation of State Returns for e-filing:

1. Prepare two separate Federal returns with their associated State returns, one for each taxpayer. These will most likely be single taxpayer filing status. A taxpayer can only claim as head of household (HOH) if he/she qualifies.
  2. Clearly separate each taxpayer's income, deductions, and expenses before preparing their Federal returns. Taxpayers qualifying for the same deductions or expenses should make the determination on who will claim itemized deductions, unless State law makes this determination for them.
  3. Enter the two letter State abbreviation for the State return.
  4. Mark both Federal returns types as “E-FILE Only” on the Main Info Sheet.
- 

Continued on the next page



## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop | continued

<b>State Information</b>		If you are not preparing a state return, check here <input type="checkbox"/> or fill in state information below	
Full year resident:	NC and <input type="text"/>	Part-year:	<input type="text"/> and <input type="text"/>
		Nonresident: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
<b>Type of Return</b>	<input type="radio"/> Bank products	<input checked="" type="radio"/> E-file ONLY	<input type="radio"/> Paper

- On the State tax return navigate to the question; **“Do you want to electronically file this return?”** and select “Yes”.
- On the State tax return navigate to the question; **“Check here if you want to file this return as unlinked”** and check the box.

Do you want to electronically file this return?	<input checked="" type="radio"/> Yes	<input type="radio"/> No
Check here if you want to file this return as unlinked:	<input checked="" type="checkbox"/>	

- Ask the preparer to ensure the state return is unlinked for both e-filed State returns.
- When both returns are completed, quality reviewed, reviewed and signed by the taxpayer, there should be two individual Federal returns and two associated e-filed State returns.
- Each State return can be e-filed as State Only.** CCH Small Firm Services (SFS) - TWO will e-file the State return with the associated Federal forms even though the Federal return is not being e-filed. NOTE: TO E-FILE THE CORRECT RETURN, CLICK ON THE SUBMIT EFILE ICON, THEN SORT BY “AGENCY” AND SELECT THE UNLINKED STATE RETURN ONLY. DO NOT SELECT THE FEDERAL/“US” RETURN.

Select All	SSN/EIN	Name	Return Stage	Last Edited	Agency	MeF	Linked	Fed/State	IRS	Efile Id
<input type="checkbox"/>	227-00-7364	ALBRIGHT, LILY		1/23/2014	US	T				00736420140230000005
<input checked="" type="checkbox"/>	227-00-7364	ALBRIGHT, LILY		1/23/2014	NC	T	F	F		00736420140230000006

Continued on the next page

## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop | continued

### Preparation of Federal Return for e-filing:

To prepare the MFJ/MFS Returns, wait until the State returns are accepted before the MFJ/MFS Federal return is prepared. **NOTE:** It may take some time for the State returns to be accepted. Suggest that the couple come back another day to complete the Federal return. **If the taxpayer does not want to come back, consider using scenario three.**

Decide which Federal return will represent the primary taxpayer. The primary taxpayer's name and Social Security Number will be listed first on the Federal tax return. Open the primary Federal tax return:

1. Go to the Federal Main Info Sheet.
2. Delete the State return information by going to the State Information section to check the box for not preparing a State return and delete the State's two letter abbreviation from the box.
3. Complete the Federal return by adding the other taxpayer to the return on the Main Info Sheet.
4. Change the filing status to MFJ.
5. Prepare MFJ Federal return with no State return as you would prepare a standard married filing jointly return.
6. Add all of the other taxpayer's income/expense forms etc.
7. Create the e-file.
8. Have the return quality reviewed, re-create the e-file, and print. Have taxpayers review and sign the tax return.
9. E-file the joint Federal return (after both State returns have been accepted).

**Sites should be strongly encouraged to change the return “Stage” to “Paper” or “DOMA” to discourage accidentally e-filing the “other taxpayer” Federal return.** This method can be used to track the returns the sites do not want to transmit. For additional guidance on creating custom “Return Stages”, the site administrator should refer to their TaxWise User Guide.

All Returns				
TIN	Name	US e-file	State e-file	Stage
<a href="#">227-00-7364</a>	ALBRIGHT, LILY	<a href="#">Accepted</a>	<a href="#">Accepted</a>	<input type="text"/>
<a href="#">233-00-7364</a>	DALTON, OAK		<a href="#">Accepted</a>	DOMA

## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop | continued

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### Scenario 2: Use TaxWise® Desktop (TWD) Alternative Preparation Solution (APS) and TaxWise® Online

#### Situation:

Requires use of TWD APS and TWO

Volunteer prefers to e-file Federal return and mail State returns

- Volunteer e-files Federal return
- State returns are printed by volunteer and filed by taxpayers mailing paper returns

#### Process:

All TaxWise Online (TWO) users may use the TWO contingency plan. This plan allows TWO users to have a “work offline solution” involving TaxWise Desktop that allows users to continue operations in the event of future service interruptions or outages.

This means that TWO users may load their copy of the TaxWise Desktop CD to prepare DOMA related (Same-Sex Marriage Couple) tax returns.

#### Preparation of Federal Return for e-filing:

1. Complete the MFJ return using the TaxWise Desktop (TWD) APS software with no State returns.
2. Transfer the Federal return to TWO.
3. E-file the Federal return from TWO.

#### Preparation of State Returns for filing by paper:

1. Go back into the TWD and use the “What if” Mode to divide the returns and change the filing status to Single (or HOH if the taxpayer qualifies).
  - a. **Note:** For detailed information on preparing a tax return using the “What if” Mode in TWD, review the “How to prepare State Defense of Marriage Act returns using TaxWise Desktop” document.
2. Print the two State returns and have the taxpayers mail their State paper tax returns to the appropriate State tax office.

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Continued on the next page

## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop | continued

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### Scenario 3: Use TaxWise® Online or TaxWise® Desktop

#### Situation:

Volunteer prefers to file paper State return and e-file Federal return

- State returns are printed by volunteer and filed by taxpayers mailing paper returns
- Volunteer e-files Federal return

#### Preparation of Federal Return for e-filing:

1. Prepare two separate Federal returns with their associated State returns, one for each taxpayer. The filing status will be MFS, Single, or HOH (if the taxpayer qualifies).
  - a. **Note:** Taxpayers who qualify should strongly be encouraged to use the Single or HOH filing status on the State return instead of using MFS. MFS may cause the taxpayer to lose credits or deductions.
2. Clearly separate each taxpayer's income, deductions, and expenses. Taxpayers qualifying for the same deductions or expenses should make the determination on who will claim itemized deductions, unless State law makes this determination for them.
3. Enter the two letter State abbreviation for the State return.
4. Print the State returns for mailing to the appropriate State tax office.

#### Preparation of Federal Return for e-filing:

Decide which Federal return will represent the primary taxpayer. The primary taxpayer's name and Social Security Number will be listed first on the Federal tax return. Delete the secondary taxpayer's Federal and State returns.

1. Open the primary Federal tax return.
2. Go to the Federal Main Info Sheet.
3. Change the filing status to MFJ.
4. Delete the State return information from the MFJ Federal return by going to the State Information section to check the box for **not** preparing a State return and delete the State's two letter abbreviation from the box.

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Continued on the next page

## Exhibit 7-2, Preparing Same-Sex Marriages using TaxWise® Online and/or TaxWise® Desktop | continued

- 
5. Complete the Federal return by adding the other taxpayer to the return on the Main Info Sheet. Prepare MFJ Federal return with no State return as you would prepare a standard married filing jointly return.
  6. Add all of the other taxpayer's income/expense forms etc.
  7. E-file only the Federal MFJ return.
-

# Lesson 8

## Identity Theft

### Overview

This lesson contains the following topics:

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### Additional References



- Publication 4523, *Beware of Phishing Schemes*
- Publication 4524, *Security Awareness and Identity Theft*
- Publication 4535, *Identity Theft Prevention and Victim Assistance*
- Publication 4299, *Privacy and Confidentiality – A Public Trust*

### Introduction

Many years ago, before the advent of electronic and online filing, refund fraud detection seemed like a breeze. Paper tax returns with paper Forms W-2 were reviewed manually and something as minor as a typo or misspelled word could often be enough of a clue to fraud. Even Identity Theft, which did exist back then, was much easier to identify by simple address, wage, filing status, and previous employer comparisons.

All of that changed with technology! From its inception, electronic fraud has continued to become more complex and harder to identify each filing season.

Stopping Identity Theft and refund fraud is a top priority for the IRS. The IRS' work on Identity Theft and refund fraud continues to grow, touching nearly every part of the organization.

**The IRS is committed to working with taxpayers who are the victims of Identity Theft.** The IRS assigned more than 3,000 IRS employees to work on identity theft-related issues. IRS employees are working to prevent refund fraud, investigate identity theft-related crimes, and help taxpayers who have been victimized by identity thieves. In addition, the IRS provides training to more than 35,000 employees who work with taxpayers to recognize Identity Theft indicators and help people victimized by Identity Theft.

### Objectives

By the end of this lesson, you will be able to:

1. Describe the increasing efforts to assist taxpayers with Identity Theft.
2. Outline the procedures for assisting taxpayers who may be victims of Identity Theft.

## Identity Theft

### Identity Theft Non-tax or Tax Related

Identity theft is fraud committed or attempted using a person's identifying information without authority. For IRS purposes, the two types of identity theft are **non-tax related** and **tax-related**.

### Non-Tax Related

Identity theft not related to tax administration would be a lost or stolen purse or wallet, a questionable credit report or questionable credit card activity, a home robbery etc., but the lost or stolen information was not used for tax purposes.

However, this may put the taxpayer at risk for identity theft impacting tax administration. In these cases, IRS records are accurate and misuse of the Taxpayer Identification Number (TIN) is an administration issue with another agency beyond IRS control, such as Treasury Offset Program (TOP).

**Example:** A taxpayer identity was stolen for non-tax related purposes, if their Taxpayer Identification Number (TIN) was used as the TIN for a child support agency. When the taxpayer filed their return, the refund was seized by Treasury Offset Program for back child support. The taxpayer would need to contact Treasury Offset Program to resolve this matter, not the IRS.

### Tax Related

In cases where identity theft directly impacts tax administration are when a return filed by an unknown individual or a tax assessment made based on income earned by another individual. This may involve duplicate filing conditions, the presence of a return on the account when the Taxpayer Identification Number (TIN) owner has no filing requirement, or assessment based on income earned by someone other than the TIN owner, etc.

The two types of identity theft related to tax administration are handled differently than non-tax-related:

1. **Employment** tax related theft is when an identity thief uses a taxpayer's Social Security Number (SSN) and other Personally Identifiable Information (PII) to secure a job.
2. **Fraudulent Filing** tax related theft is when an identity thief uses a taxpayer's SSN and other PII to obtain a fraudulent tax refund.

Continued on the next page



### Refund Fraud Detection and Prevention

The IRS continues to increase its efforts against refund fraud, which includes Identity Theft. As a result of these aggressive efforts to combat Identity Theft from 2011 through November 2013, the IRS has stopped 14.6 million suspicious returns, and protected over \$50 billion in fraudulent refunds.

For 2014, the IRS continues to increase both the number and efficiency of the Identity Theft filters that are used to identify potentially fraudulent returns due to Identity Theft prior to the processing of the return and release of any refund.

### Increasing Efforts to Help Victims

The IRS understands that Identity Theft is frustrating and a complex process for victim(s). While identity thieves steal information from sources outside the tax system, the IRS is often the first to inform a victim that Identity Theft has occurred. The IRS is working hard to resolve Identity Theft cases as quickly as possible. We are also developing programs and information to protect the taxpayer from future misuse of their personal information impacting their tax administration and minimize the impact outside of the IRS.

While the IRS has made considerable progress in this area, more work remains. Fighting Identity Theft is an ongoing battle as identity thieves continue to create new ways of stealing personal information and using it for their gain. Identity Theft cases are among the most complex handled by the IRS. The IRS is continually reviewing processes and policies to minimize the incidence of Identity Theft and to help those who find themselves victimized. Among the steps underway to help victims:

- Identity Protection Personal Identification Number (IP PIN) expansion: The IRS Identity Protection PIN (IP PIN) is a unique six digit number that is assigned **annually** to victims of Identity Theft for use when filing their federal tax return. The IP PIN will authenticate the actual taxpayer when the return is filed/submitted is the rightful filer of the return. For tax year 2013 filing season, the IRS provided more than 1.2 million taxpayers with an IP PIN. For the second tax season in a row, the number of IP PINs has nearly doubled from the year before. The IP PIN will allow these individuals to avoid delays in filing returns and receiving refunds.
- IP PIN Changes:
  - If an IP PIN is assigned to a taxpayer for their tax year 2013 return, the IP PIN must be used on any delinquent 2011 and 2012 returns filed during the 2014 calendar year.

Continued on the next page

### Increasing Efforts to Help Victims (continued)

- In prior years, only the omission or incorrect input of the primary IP PIN caused a tax return to reject. Beginning in tax year 2013, omission or an incorrect input of the IP PIN of the secondary taxpayer (if issued) will cause the tax return to reject.
- Effective January 13, 2014, taxpayers can register and create a user profile to get their current IP PIN (<http://www.irs.gov/uac/Get-An-Identity-Protection-PIN>). The registration process will require taxpayers provide specific personal information and answer a series of questions to validate identity.
- The IRS is offering a limited pilot program to help taxpayers who filed any returns in calendar year 2013 from Florida, Georgia, and the District of Columbia. This additional layer of security for Identity Theft would provide taxpayers who must submit their tax return for calendar year 2014 an Electronic Filing PIN (e-file PIN). Under the pilot, any taxpayer who filed a tax return from one of those three locations in calendar year 2013 and obtains an e-file PIN in calendar year 2014 from the IRS may be offered an opportunity to apply for an Identity Protection PIN (IP PIN).
- Victim case resolution: The IRS continues to dedicate more and more employees to resolution of victim cases. These are extremely complex cases to resolve, frequently touching on multiple issues and multiple tax years. Cases of resolving Identity Theft can be complicated by the thieves themselves contacting the IRS. The IRS is working hard to streamline its internal process, but much more work remains. A typical case can take 180 days to resolve, and the IRS is working to reduce that time period.
- Service options: The IRS is providing information in several ways ranging from a special section on IRS.gov devoted to Identity Theft to a special phone number available for victims to obtain assistance and resource information for resolving tax issues. The IRS Identity Protection Specialized Unit is available at 1-800-908-4490.

More information is available on IRS.gov, including the Taxpayer Guide to Identity Theft.

Continued on the next page

## Phishing Schemes

The IRS does not initiate contact with taxpayers by e-mail to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.

All unsolicited e-mail claiming to be from either the IRS or any other IRS-related components such as the [Office of Professional Responsibility](#) or [EFTPS](#), should be reported to [phishing@irs.gov](mailto:phishing@irs.gov).

However, if monetary losses are experienced due to an IRS-related incident, taxpayers should file a complaint with the Federal Trade Commission.

What to do if a suspicious IRS-related communication is received:

If you or a taxpayer...	Then...
Receive an e-mail claiming to be from the IRS that contains a request for personal information...	<ol style="list-style-type: none"> <li><b>Do not reply.</b></li> <li><b>Do not open any attachments.</b> Attachments may contain malicious code that will infect your computer.</li> <li><b>Do not click on any links.</b> If you clicked on links in a suspicious e-mail or phishing website and entered confidential information, visit the <a href="#">identity protection</a> page.</li> <li><b>Forward</b> the e-mail as-is, to the IRS at <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>.</li> <li>After forwarding the e-mail and/or header information, delete the original e-mail message received.</li> </ol> <p><b>Note:</b> Please forward the full original e-mail to the IRS at <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>. Do not forward scanned images of printed e-mails as that strips the e-mail of valuable information only available in the electronic copy.</p>
Discover a website on the Internet that claims to be the IRS but it is suspected to be bogus...	<p><b>...send the URL of the suspicious site</b> to <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>. Add in the subject line of the e-mail, 'Suspicious website'.</p>

Continued on the next page

## Phishing Schemes (continued)

If you or a taxpayer...	Then...
Receive a phone call or paper letter via mail from an individual claiming to be the IRS but it is suspected they are not an IRS employee...	<p><b>Phone call:</b></p> <ol style="list-style-type: none"> <li>1. Ask for a call back number and employee badge number.</li> <li>2. <a href="#">Contact the IRS</a> to determine if the caller is an IRS employee with a legitimate need.</li> <li>3. If determined the person calling is an IRS employee with a legitimate need, call them back.</li> </ol> <p><b>Letter or notice via paper mail:</b></p> <ol style="list-style-type: none"> <li>1. <a href="#">Contact the IRS</a> to determine if the mail is a legitimate IRS letter.</li> <li>2. If it is a legitimate IRS letter, reply if needed.</li> </ol> <p>Report the incident to the <a href="#">Treasury Inspector General for Tax Administration</a> if the caller or party that sent the paper letter is <b>not legitimate</b>.</p>
Receive an unsolicited e-mail or fax, involving a stock or share purchase...	<p><b>...and you are a U.S. citizen located in the United States or its territories or a U.S. citizen living abroad.</b></p> <ol style="list-style-type: none"> <li>1. Complete the appropriate complaint form with the <a href="#">U.S. Securities and Exchange Commission</a>.</li> <li>2. Forward e-mail to <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>. Add in the subject line of the e-mail, 'Stock'.</li> <li>3. If a victim of monetary or Identity Theft, submit a complaint through the <a href="#">FTC Complaint Assistant</a>.</li> </ol> <p><b>... and you are not a U.S. citizen and reside outside the United States.</b></p> <ol style="list-style-type: none"> <li>1. Complete the appropriate complaint form with the <a href="#">U.S. Securities and Exchange Commission</a>.</li> <li>2. Contact your securities regulator and file a complaint.</li> <li>3. Forward e-mail to <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>. Add in the subject line of the e-mail, 'Stock'.</li> <li>4. If a victim of monetary or Identity Theft, report the complaint to <a href="http://econsumer.gov">econsumer.gov</a>.</li> </ol>

## Phishing Schemes (continued)

If you or a taxpayer...	Then...
Receive an unsolicited fax claiming to be from the IRS, requesting personal information...	<p>Contact the IRS to determine if the fax is from the IRS.</p> <ul style="list-style-type: none"> <li>If you learn the fax is not from the IRS, please send us the information via email at <a href="mailto:phishing@irs.gov">phishing@irs.gov</a>. In the subject line of the e-mail, type the word 'FAX'.</li> </ul>
Receive a text message or Short Message Service (SMS) message claiming to be from the IRS ...	<ol style="list-style-type: none"> <li><b>Do not reply.</b></li> <li><b>Do not open any attachments.</b> Attachments may contain malicious code that will infect your computer or mobile phone.</li> <li><b>Do not click on any links.</b> If you clicked on links in a suspicious SMS and entered confidential information, visit our <a href="#">identity protection</a> page.</li> <li>Forward the text as-is, to us at 202-552-1226. <b>Note:</b> Standard text messaging rates apply.</li> <li>If possible, in a separate text, forward the originating number to us at 202-552-1226</li> <li><b>After you forward</b> the text, delete the original text.</li> </ol>

Continued on the next page

### Criminal Investigation Division

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In fiscal year (FY) 2013, the IRS initiated 1,492 Identity Theft related criminal investigations, an increase of 66% over investigations initiated in FY 2012. Indictments and sentencing doubled in FY 2013 and the average prison term was more than three years (38 months).

The Law Enforcement Assistance Program, formerly known as the Identity Theft Pilot Disclosure Program, was expanded nationwide. This program provides for the disclosure of federal tax return information associated with the accounts of known and suspected victims of Identity Theft with the express written consent of those victims. There are currently more than 300 state/local law enforcement agencies from 35 states participating. For FY 2013, more than 2,400 requests were received from state and local law enforcement agencies.

The Identity Theft Clearinghouse (ITC) continues to develop and refer Identity Theft refund fraud schemes to Criminal Investigation (CI) Field Offices for investigation. For FY 2013, the ITC received over 1,400 Identity Theft related leads. Those leads related to more than 391,000 tax returns claiming in excess of \$1.3 billion dollars in potentially fraudulent federal income tax refunds.

Criminal Investigation continues to be the lead agency or actively involved in more than 30 multi-regional task forces or working groups including state/local and federal law enforcement agencies solely focusing on Identity Theft.

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## Return Preparer Office (RPO)

### Return Preparer Office (RPO)

The Return Preparer Office (RPO) Compliance group created an action plan to address paid return preparers who are utilizing invalid Site Identification Numbers (SIDN) on the returns they prepare. Now in its fourth year, RPO Compliance group collaborated with Stakeholder Partnerships Communication, and Education (SPEC) to carry out the action plan. The purpose continues to be the identification of paid return preparers who are using an invalid SIDN as a preparer identification number the results of which may:

- Circumvent the requirement that all paid return preparers register and obtain a Preparer Tax Identification Number (PTIN)
- Create a false appearance that the return was completed by a VITA/TCE site
- Affect data aggregation for Volunteer Income Tax Assistance and Tax Counseling for the Elderly (VITA/TCE) statistics, funding, and resource allocation because returns are falsely associated with VITA/TCE sites
- Avoid association with the returns and creates the opportunity for unreported income related to the preparation fees
- Affect the credibility of the VITA/TCE Programs and partnering agreements
- By pass classification and selection tools because they generally exclude VITA/TCE and taxpayer assistance center sites from audit or inquiry selection

RPO Compliance group is addressing invalid SIDN use by paid preparers and SPEC is addressing the reporting of invalid SIDN data by VITA/TCE partners.

### RPO Compliance Group

Since February 2011, the RPO Compliance group has been receiving data from SPEC for returns filed and processed with invalid SIDNs.

Through data extraction and analysis, SPEC provided RPO with the following:

- The SIDN reported on the return
- Confirmation that the SIDN reported on the return was invalid or false
- Volume count of individual income tax returns using the invalid SIDN
- Historical counts of use of such a number and volumes for prior two filing seasons

RPO Compliance group uncovered that the most prevalent cause of incorrect SIDN use by these paid preparers was due to an issue involving TaxWise software. These paid return preparers were using TaxWise to prepare and

Continued on the next page

### RPO Compliance Group (continued)

electronically file client returns. A percentage of the client returns contained their legitimate PTIN, but other returns reflected an SIDN. The SIDN contained the exact same eight numeric digits as their PTIN.

Further research found that the “IRS Only” checkbox in the TaxWise software had been erroneously checked. This resulted in the PTIN appearing as a SIDN. As a result, TaxWise changed the software to hard code “P” instead of an “S” for paid preparers. TaxWise made programming changes to prevent or eliminate this issue. Therefore, if the registered software does not have IRS encoding in the registration code, when an attempt is made to check the IRS Only checkbox, a pop up message will appear warning the return preparer. It will state that the entry is restricted to IRS sites only.

### RPO Compliance’s Initiatives

Over the past four filing seasons, the RPO Compliance group has been charged with identifying the appropriate return preparer and determining the appropriate treatment for SIDN errors. SPEC continues to utilize the data extraction, investigation, and research to attempt to address the root causes and potential fixes for the appearance of invalid SIDNs on filed returns.

The execution of this action plan over four years has yielded a significant reduction in invalid SIDN use as well as a reduction in the volume of returns affected.

Filing Season	Invalid SIDN Count	*Invalid SIDN Reviewed by EFIN*	Invalid SIDN Count at SPEC sites	Return Count
2011	3642	224	No Data	90,115
2012	1745	139	133	40,427
2013	1438	858	832	38,658
2014	822	190	172	22,331

**\*NOTE:** RPO Compliance only reviewed invalid SIDNs with at least 50 to 100 returns prepared.

If the actual return preparer is a VITA site or assistance center, the case will be referred to SPEC for action. RPO Compliance group and SPEC will continue to cooperate by sharing data and making joint communication and treatment decisions.

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### Partner Responsibility

Partners and site/local coordinators must ensure the Site Identification Number (SIDN) and Electronic Filing Identification Number (EFIN) are entered correctly in the tax preparation software. To prevent changes to the software setup, the site/local coordinator should limit the permissions given to the IRS-tax law certified volunteers. Only assign the necessary permission level needed for the IRS-tax law certified volunteer to complete the duties of the assigned volunteer position.

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### Territory Responsibility

SPEC and the Return Preparer Office (RPO) will continue to work together to identify the Electronic Filing Identification Number and the correct Site Identification Number on sites filing tax returns with an incorrect Site Identification Number.

This information will be provided to the Territory Offices. Once the relationship manager receives the EFIN and correct SIDN, he/she should contact the partner or site/local coordinator to advise of the discrepancy and assist with corrective actions.

There are instances in which volunteers enter an incorrect number as the SIDN. If an incorrect SIDN is identified during a Field Site Visit, the relationship manager will work with the site to make sure the correct SIDN is updated on all computers.

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## Return Integrity and Correspondence Services (RICS)

### Electronic Fraud Detection System

Return Integrity and Correspondence Services (RICS) strengthens the integrity of the tax system by protecting the public interest by:

- Improving IRS' ability to detect and prevent improper refunds
- Serving the public interest by taking enforcement actions fairly and appropriately
- Helping taxpayers understand the refundable tax credits for which they are eligible
- Engaging taxpayers with notices and letters that are written in plain language that is easy to understand

RICS established the Taxpayer Protection Program (TPP) in order to detect Identity Theft and Non-Compliant returns in a pre-refund environment while providing refunds to compliant taxpayers in a timely manner. They process the identified cases to protect taxpayer accounts from being impacted by Identity Theft and revenue.

Identifying fraudulent tax returns and patterns of fraud is a daily task for RICS employees who protect revenue by screening returns and identifying characteristics of fraud. Returns meeting certain criteria are routed for additional screening and analysis such as verification of income documents and scheme identification to Criminal Investigation. Through advanced queries and pattern analysis, they identify and flag groups of returns, often leading to identification of large-scale fraud schemes.

Some schemes span more than one year, such as one scheme involving filing status. First identified in the 2012 filing season was the Filing Status scheme, a large nationwide scheme. This scheme, claimed refunds totaling almost \$222 million. The scheme's characteristics included returns generally claiming married filing joint filing status, many showing spouses with different last names. While they are not actually married to each other, many are married to others, filing jointly also with them. In a number of cases, the taxpayers submit fraudulent Forms W-2. Often, there is a large age gap between the spouses, and in many cases, one or both are using Social Security Numbers (SSNs) of deceased persons.

Another scheme, returning for a second filing season, involves unemployment compensation (UEC). In this scheme, filers do not actually receive UEC, but they claim it on their returns as the main, if not only, source of income. While these returns typically show no wages, they do report federal tax withheld. The

### Electronic Fraud Detection System (continued)

returns claim a standard amount of unemployment compensation, with almost half of the amount reflected as withholding. RICS identified approximately 3,313 returns to date, with refunds totaling over \$23 million and averaging \$7,000 per refund.

A growing area of fraud and Identity Theft involves the filing of false tax returns using SSNs belonging to deceased taxpayers. RICS has filters in place to identify decedent returns meeting certain criteria. The RICS team is dedicated and vigilant about identifying and stopping fraud and Identity Theft, as well as protecting and recovering revenue.

### Unmatched Site Identification Numbers (SIDN)

In May 2014, SPEC partnered with RICS to identify unmatched Site Identification Numbers (SIDNs) with an Identity Theft indicator. The first step was to review the list of SIDNs to verify if SIDNs belonged to an actual VITA/TCE sites.

For filing season 2013, RICS determined there were possibly of 3,016 returns matching their database filters for Identity Theft returns in the pre-refund environment. Further analysis revealed of the 3,016 returns, multiple SIDNs were used to file 798 Identity Theft tax returns for tax year 2012. SPEC compared the listing of SIDNs provided by RICS to our internal database and found 205 of the SIDNs were VITA/TCE sites. These volunteer sites prepared a total of 424 Identity Theft returns.

Program Type	AARP	Grant	Military	VITA	Total
Number of Partners	42	66	1	34	143
Number of Sites	67	96	4	38	205
Number of SIDNs	67	96	4	38	205
Number of ID Theft Returns	72	166	4	182	424

Continued on the next page

### Unmatched Site Identification Numbers (SIDN) (continued)

The remaining SIDNs were not in SPEC's database. In researching a sampling of the remaining SIDNs and EFINs provided by RICS using the e-Services database, SPEC learned those SIDNs belonged to paid preparers erroneously using our SIDN. These 32 paid preparers completed 374 Identity Theft returns.

For filing season 2014, RICS has determined a possible 2,912 returns matching their database filters for Identity Theft returns. Although the data is still being analyzed for tax year 2013, approximately 785 of the 2,912 returns matched the Identity Theft filters. At the time this lesson was written, RICS identified 305 of the 785 as definitely Identity Theft. Thus far the data shows 125 VITA/TCE sites have prepared 181 Identity Theft returns. Once again, the remaining 124 returns are paid preparers using a fictitious SIDN instead of a PTIN.

Program Type	AARP	Grant	Military	VITA	Total
Number of Partners	27	29	19	26	101
Number of Sites	39	33	25	28	125
Number of SIDNs	39	37	25	28	129
Number of ID Theft Returns	39	42	29	71	181

SPEC considers this a serious problem and plans to obtain additional information from our partner on these Identity Theft returns. In addition, SPEC is in the process of writing policy guidance to assist the territories with identifying Identity Theft returns.

SPEC will continue to review reports in each territory to look for indicators of sites that are using correct SIDNs and also review SIDNs that are no longer active. All VITA/TCE (including military and AARP) sites are identified with an "S" instead of a Paid Preparers Tax Identification Number (PTIN). These reports will be matched to verify any potential Identity Theft returns or a paid preparer using a SIDN instead of a PTIN.

### New Procedures

In an effort to combat fraud and Identity Theft, new IRS procedures effective January 2015 will limit the number of refunds electronically deposited into a single financial account or pre-paid debit card to three.

The fourth and subsequent refunds automatically will convert to a paper refund check and be mailed to the taxpayer.

Taxpayers will also receive a notice informing them that the account has exceeded the direct deposit limits and that they will receive a paper refund check in approximately four weeks if there are no other issues with the return. Taxpayers can track their refunds at [www.irs.gov](http://www.irs.gov) *Where's My Refund?*

The direct deposit limit will prevent criminals from easily obtaining multiple refunds. The limit applies to financial accounts, such as bank savings or checking accounts, and to prepaid, reloadable cards or debit cards.

However, the limitation may affect some taxpayers, such as families in which the parent's and children's refunds are deposited into a family-held bank account. Taxpayers in this situation should make other deposit arrangements or expect to receive paper refund checks.

Family-held bank accounts could be opened in the form of:

1. A Trust account

2. A Uniform Transfers to Minors account (UTMA)

**NOTE:** A UTMA account is an account owned by the minor (under age 21) but managed by a custodian until the minor reaches age 21.

3. An Account opened for the benefit of a minor

**NOTE:** However, if the minor is not old enough to sign for the account, a parent must sign for the account on behalf of the child.

For the 2015 filing season, VITA/TCE sites may only direct deposit a taxpayer's refund into accounts bearing the taxpayer's name.

The new limitation also will protect taxpayers from preparers who obtain payment for their tax preparation services by depositing part or all of their clients' refunds into the preparers' own bank accounts. The new direct deposit limits will help eliminate this type of abuse. Form 8888, *Allocation of Refund*, cannot be used to split the refund to pay for preparer fees. In addition, the preparers cannot open a joint bank account with taxpayer to recover fees.

The IRS also has discovered some return preparers abusing the direct deposit rules and identified some 4,400 personal accounts held by preparers where multiple refunds were deposited.

## Assisting Taxpayers at VITA/TCE Sites

When assisting taxpayers who are victims or may be victims of Identity Theft at a VITA/TCE site, you should use the following guidance:

If you or a taxpayer...	Then the volunteer should...
Was issued an IP PIN (primary and or secondary taxpayer)	Ensure the IP PIN is input correctly on the tax return.
Received an IP PIN but did not bring it with to the site.	<ol style="list-style-type: none"> <li>1. Complete tax return for the taxpayer.</li> <li>2. Provide taxpayer with a complete copy of the tax return (Provide two copies if the taxpayer will mail the tax return.)</li> <li>3. If taxpayer wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.</li> </ol>
Received an IP PIN but misplaced or lost it.	<ol style="list-style-type: none"> <li>1. Complete tax return for the taxpayer.</li> <li>2. Provide taxpayer with a complete copy of the tax return. (Provide two copies if the taxpayer will mail the tax return.)</li> <li>3. See Replacement IP PIN, later in this lesson.</li> <li>4. If the taxpayer receives a replacement IP PIN and wants to e-file, arrange for the taxpayer to provide the IP PIN by returning to the site or via telephone.</li> </ol>
<b>Did not receive</b> IP PIN but IRS rejected the e-filed tax return because the IP PIN was not entered.	<ol style="list-style-type: none"> <li>1. Advise the taxpayer to call the Identity Protection Specialized Unit (IPSU) Theft Toll-free Hotline at 800-908-4490.</li> <li>2. Provide taxpayer with two complete copies of the tax return.</li> <li>3. See Replacement IP PIN, later in this lesson.</li> <li>4. If the taxpayer secures the IP PIN and taxpayer wants to e-file, advise the taxpayer to provide the IP PIN by returning to the site or via telephone.</li> <li>4. If IPSU does not provide the IP PIN, advise taxpayer to follow IPSU instructions in mailing the tax return. There may be processing delays as IRS verifies the taxpayer's identity.</li> </ol>

Continued on the next page

If you or a taxpayer...	Then the volunteer should...
Return rejects because the taxpayer's primary / secondary / dependent SSN was previously used.	<ol style="list-style-type: none"> <li>1. Advise the taxpayer to contact the IPSU for assistance. If required, the IPSU will advise the taxpayer to complete Form 14039 and to mail it with their tax return to the IRS.</li> <li>2. Provide the taxpayers two copies of their tax return.</li> </ol>

### Replacing a Lost or Missing IP PIN

If a taxpayer did not receive his/her new IP PIN or taxpayer misplaced it, the taxpayer has two options:

1. Taxpayers can register and create a user profile to get their current IP PIN (<http://www.irs.gov/uac/Get-An-Identity-Protection-PIN>). This process is essential to protect their personal and tax information. If the taxpayers already have an account, login with their username and password and follow the prompts to retrieve their IP PIN.
2. If the taxpayer is unable or unwilling to create an account on IRS.gov, contact the IPSU at 1-800-908-4490, extension 245, to receive a replacement IP PIN. **CAUTION:** Using a replacement IP PIN will cause a delay in processing the tax return and the issuance of any refund, if any.

## Summary

- The IRS currently classifies Identity Theft cases into two categories. They are cases where a taxpayer's personally identifiable information (PII) has been compromised and the taxpayer is either at risk of having a tax administration impact or has already experienced a tax administration impact.
- The IRS does not initiate contact with taxpayers by e-mail to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.
- Fighting Identity Theft is an ongoing battle as identity thieves continue to create new ways of stealing personal information and using it for their gain. Identity Theft cases are among the most complex handled by the IRS.
- On January 13, 2014, taxpayers can register and create a user profile to get their current IP PIN (<http://www.irs.gov/uac/Get-An-Identity-Protection-PIN>). The registration process will require taxpayers provide specific personal information and answer a series of questions to validate identity.
- In an effort to combat fraud and Identity Theft, new IRS procedures effective January 2015 will limit the number of refunds electronically deposited into a single financial account or pre-paid debit card to three.
- The Return Preparer Office (RPO) Compliance group created an action plan to address paid return preparers who are utilizing invalid Site Identification Numbers (SIDN) on the returns they prepare.
- RICS established the Taxpayer Protection Program (TPP) in order to detect Identity Theft and Non-Compliant returns in a pre-refund environment while providing refunds to compliant taxpayers in a timely manner.
- In May 2014, SPEC partnered with RICS to identify unmatched Site Identification Numbers (SIDNs) with an Identity Theft indicator. The first step was to review the list of SIDNs to verify if SIDNs belonged to an actual VITA/TCE sites.



## Summary Exercises

### Summary Exercise 8-1

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What is the IRS Identity Protection PIN (IP PIN)?

Answer:

### Summary Exercise 8-2

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Secondary taxpayers on a tax return are not required include their IP PIN.

Answer:

☐ True   ☐ False

### Summary Exercise 8-3

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SPEC has partnered with RICS to identify returns with an unmatched Site Identification Numbers (SIDNs) with an Identity Theft indicator.

Answer:

☐ True   ☐ False

### Summary Exercise 8-4

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If a taxpayer receives an e-mail from the IRS requesting personal or financial information, the taxpayer should immediately respond as soon as possible.

Answer:

☐ True   ☐ False

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## Answers to Summary Exercises

### Summary Exercise 8-1

What is the IRS Identity Protection PIN (IP PIN)?

Answer:

The IRS Identity Protection PIN (IP PIN) is a unique six digit number that is assigned annually to victims of Identity Theft for use when filing their federal tax return that shows that a particular taxpayer is the rightful filer of the return.

### Summary Exercise 8-2

Secondary taxpayers on a tax return are not required include their IP PIN.

Answer:

☐ True   ☒ False

Beginning in tax year 2013, omission or an incorrect input of the IP PIN of the secondary taxpayer (if issued) will cause the tax return to reject.

### Summary Exercise 8-3

SPEC has partnered with RICS to identify returns with an unmatched Site Identification Numbers (SIDNs) with an Identity Theft indicator.

Answer:

☒ True   ☐ False

### Summary Exercise 8-4

If a taxpayer receives an e-mail from the IRS requesting personal or financial information, the taxpayer should immediately respond as soon as possible.

Answer:

☐ True   ☒ False

This is a phishing scheme. The IRS does not initiate contact with taxpayers by e-mail to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.

# Lesson 9

## Continuing Education Credits

Overview

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**Roles and Responsibilities** .....9-5

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**Answers to Summary Exercises** .....9-11

Additional  
References



- [www.irs.gov](http://www.irs.gov)
- Tax Pro
- Link & Learn Taxes
- Form 14310, *VITA/TCE Volunteer Sign Up*
- Form 13615, *Volunteer Standards of Conduct Agreement – VITA/TCE Programs*
- CE Credit Fact Sheet

### Introduction

The Director of the Return Preparer Office (RPO) has set continuing education requirements, to assist Enrolled Agents (EAs) and Other Tax Return Preparers (OTRPs) maintain their qualifications. Stakeholder Partnerships Education and Communication (SPEC) is an approved provider in Filing Season 2015 for Continuing Education (CE) Credits for Enrolled Agents (EAs) and Other Tax Return Preparers (OTRPs). EAs and OTRPs can earn CE credits by serving as an IRS-tax law volunteer instructor, tax return preparer, and/or quality reviewer in the SPEC Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) Programs.

**Available in 2015 Filing Season is a new Continuing Education Credit program launched by the Return Preparer's Office that aims to recognize the efforts of non-credentialed return preparers who aspire to a higher level of professionalism. The program name is the Annual Filing Season Program (AFSP).**

As a result of the new program, the VITA/TCE Continuing Education Program will expand in Filing Season 2015. By volunteering with the VITA or TCE Programs as a Tax Return Preparer and meeting all requirements, a volunteer can earn up to 14 hours of CE credits.

EAs and OTRPs can be helpful in providing professional tax related services. Therefore, offering CE credits can be a way to encourage EAs and OTRPs to participate in SPEC's VITA/TCE Programs. An OTRP is a tax return preparer professional who is not classified as an EA, Enrolled Retirement Plan Agent, or Certified Public Accountant (CPA). OTRPs are unlicensed, non-credentialed, or unenrolled tax return preparers.

Attorneys, Certified Public Accountants, or Certified Financial Planners may also qualify for CE credits depending upon their state requirements or National Board of Standards.

CE credits can be earned after the volunteer takes the appropriate coursework and volunteers as a tax law instructor, tax return preparer, and/or quality reviewer at a VITA/TCE site or training class. Volunteers can learn more about other [IRS sponsored Continuing Education Programs](#) on [www.irs.gov](http://www.irs.gov).

EAs and OTRPs who are participating in the VITA/TCE Programs as an IRS-tax law certified volunteer **cannot** receive compensation for any activities for which they are requesting CE credits.

### Objectives

By the end of this lesson, you will be able to:

1. Identify the necessary requirements for IRS-tax law certified volunteers to be eligible to obtain Continuing Education Credit hours.
2. Determine the CE process and the roles of those involved in the process.

## Volunteer Eligibility Requirements

### Form 14310, VITA/TCE Volunteer Sign Up

Enrolled Agents (EAs) and Other Tax Return Preparers (OTRPs) interested in Continuing Education (CE) credits must notify the SPEC partner and site/local coordinator or complete Form 14310, *VITA/TCE Volunteer Sign Up*, on [www.irs.gov](http://www.irs.gov). They must indicate on Form 14310, that they are seeking credits as a tax law instructor, tax return preparer, and/or quality reviewer and provide the partner or site/local coordinator his/her Preparer Tax Identification Number (PTIN).

If the EA or OTRP volunteer is not already affiliated with a SPEC partner, the web site instructs the volunteer to e-mail the Form 14310 to [taxvolunteer@irs.gov](mailto:taxvolunteer@irs.gov). Form 14310 is then reviewed by a SPEC Headquarters Analyst who compiles a list of interested volunteers broken down by territory office.

The Headquarters Analyst will send the request to the territory office point of contact for referral to a local partner. Territory offices should work closely with local partners to ensure the EA or OTRP completes the requirement for Continuing Education credits.

If EA or OTRP volunteers do not have a PTIN or must renew a PTIN application, they can secure or renew a PTIN on [www.irs.gov](http://www.irs.gov) by:

- Clicking on for **Tax Pros**
- In the Registration and Testing section, click **Register for or Renew your PTIN**

On this website the EAs or OTRPs can:

- Sign up for a new PTIN,
- Renew an existing PTIN,
- Manage their accounts, and/or
- View their CE credits within 24 hours (once the Return Preparer Office (RPO) approves and posts the CE credits to the individual preparer's PTIN account).

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### Certified Public Accountants (CPA)

Certified Public Accountants, Attorneys, or Certified Financial Planners can also qualify, with approval from their state or national Board of Standards. CPAs are always encouraged to participate as an IRS-tax law certified volunteer instructor, tax return preparer, or quality reviewer; however, SPEC cannot guarantee CE credits.

CPAs are not required to have a PTIN, but if the CPA does have a PTIN the RPO office will track CE credits earned on the RPO website. It is still the responsibility of the CPA to submit their CE certificates to their local governing board/societies for CE credit.

CPAs must meet the same volunteer requirements as other applicants for CE credits. Once a partner/site coordinator has provided a completed, signed, and dated Form 13615, *Volunteer Standards of Conduct Agreement – VITA/TCE Programs*, for a CPA to their assigned relationship manager (RM), the RM will forward the required information for processing.

It is the responsibility of the CPA to present their CE Certificate to their appropriate State Board for approval of the credits. If there are any questions or issues, the Area Analyst can assist by contacting the State Board to confirm the CE Certificates are valid. Some states do not recognize our Continuing Education credits program.

## Roles and Responsibilities

### Enrolled Agent (EA) or Other Tax Return Preparer (OTRP) Responsibility

The EA or OTRP volunteer are required to register within Link & Learn Taxes (L&LT) as an Instructor, Tax Return Preparer, and/or Quality Reviewer, depending on the service they wish to provide at the VITA/TCE sites to earn their CE Credits. When registering, they must use a valid PTIN. It is very important that the name entered in L&LT is **exactly** the same as on their PTIN application and account. The PTIN entered into L&LT must include a capital "P" followed by the 8 digits assigned.

In Link & Learn Taxes, they must **complete the Volunteer Standards of Conduct** (VSC) training and pass the VSC test with a score of 80% or higher.

They must also **complete the "Intake/Interview & Quality Review Training"** within Link & Learn Taxes; however, a test is not required for this course.

In addition, the EA or OTRP must be certified at the **Advanced** level, or higher based on the complexity of the return. They must pass the tax law certification test with a score of 80% or higher.

After completing the above certifications, the EA or OTRP should complete, electronically sign, date, and print Form 13615, created in L&LT. The EA or OTRP must provide this to the site/local coordinator or partner when they first report to the site.

If the EA or OTRP performed the instructor, tax return preparer, and quality reviewer roles for different partners; multiple Forms 13615 should be printed and completed. Otherwise, only one Form 13615 is needed.

### Available Continuing Education (CE) Credits

EA or OTRP volunteer that meets the requirement as a tax return preparer or quality reviewer, may receive 14 Continuing Education credit hours as follows:

- 1 hour for VSC (Ethics) training
- 3 hours for Federal Tax Law Updates
- 10 hours for Federal Tax Law training

A tax return preparer interviews the taxpayer(s) using the information on Form 13614-C, pages 1 – 3 and accurately prepare the tax return.

A quality reviewer examines the tax return with the taxpayer(s) to ensure the information on Form 13614-C, pages 1-3, was correctly addressed and accurately transferred to the return.

A tax return preparer and/or quality reviewer must prepare and/or quality review tax returns for a minimum of 10 hours.

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### Available Continuing Education (CE) Credits (continued)

EA or OTRP volunteer that meets the requirement as an instructor may receive 8 Continuing Education credit hours as follows:

- 1 hour for VSC (Ethics) training
- 3 hours for Federal Tax Law Updates
- 4 hours for Teaching Specialty Tax Law course(s)

An instructor must teach for a minimum of 4 hours in one or more specialty certification levels, which includes: Health Savings Accounts (HSA), Puerto Rico, Military, International, Foreign Students, and Cancellation of Debt (COD), if extended.

**Note:** An EA or OTRP volunteer meeting all requirements of an instructor and/or quality reviewer/tax return preparer is entitled to a maximum of 18 hours of continuing education credits. Credit for VSC (Ethics) training and Federal Tax Law updates is provided only one time.

### Partner Responsibility

Partners play a critical role in protecting the integrity of this program. The EA or OTRP instructor or quality reviewer/tax return preparer provides the partner with their Link & Learn Taxes printed Form 13615, *Volunteer Standards of Conduct Agreement*, along with the certificates associated with each completed tax law certification module.

SPEC partners must take the following actions to ensure proper credit is provided:

- Verify the EA or OTRP identity using photo ID.
- Validate the EA or OTRP Preparer Tax Identification Number (PTIN) and name on PTIN card by reviewing the card.
- Document the number of hours spent teaching specialty courses and/or preparing/quality reviewing tax returns.
- Ensure the EA or OTRP volunteer certified using Link & Learn Taxes.
- Secure and verify Form 13615 printed from Link & Learn Taxes, is signed and dated by the EA or OTRP.
- Review Form 13615 to ensure the EA or OTRP volunteer certified as passing with a “P” indicator; in VSC, Advanced, and at least one specialty module if volunteer is an instructor.
- For EA or OTRP volunteers participating in the CE program, the site/local coordinator, partner, and/or designee must follow instructions in “For Continuing Education (CE) Credits ONLY” section to complete the following on Form 13615:



### Partner Responsibility (continued)

- PTIN
  - Name on PTIN card
  - Site or training address
  - Volunteer position
  - Tax law courses taught
  - Number of hours the EA or OTRP volunteer taught specialty courses and/or prepared/quality reviewed tax returns
- After all CE credit qualifications are met by the EA or OTRP volunteer, validate the Form 13615 CE credit information by signing and dating (electronically or original signature is acceptable) in the appropriate place(s). This may include signing in two sections.
  - For the instructor, the partner will complete the instructor hours under the CE Credits section on page 2 by checking the instructor's volunteer position and adding the applicable instructor hours.
  - For the tax return preparer or quality reviewer, the partner or site coordinator will complete the volunteer quality review/tax return preparer hours under the CE Credits section on page 2 by checking the applicable position and adding the applicable number of volunteer hours under the appropriate section (Enrolled Agent or Other Tax Return Preparer).
- Fax, e-mail, mail, scan, or deliver the copy of Forms 13615 for the EA or OTRP volunteers to your relationship manager (RM) only when all program requirements are met to qualify for the CE Credits.
- Form 13615 must be provided to RM no later than April 30th for sites closing by April 15th. For year round sites, it must be provided monthly after April 30th once the CE requirements are met.

**Note:** Tax consultants (TC) and relationship managers (RM) are not authorized to sign and date Forms 13615 for partners or site coordinators for volunteers seeking CE credits. Only a partner or site coordinator (who is not the volunteer requesting CE credit) is authorized to sign and date Form 13615 CE credit certification section.

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### Territory Responsibility

SPEC headquarters has created a process to monitor completion of CE requirements. The RM will discuss the CE credit requirements with the partner. Certification through Link & Learn Taxes must be done prior to volunteering at VITA/TCE site or serving as an instructor. Once Form 13615 is received from the partner or site coordinator confirming an EA or OTRP has completed their CE requirements and prior to reporting to the Return Preparer Office (RPO), the RM will review Form 13615:

- Ensure all required sections of Form 13615, *Volunteer Standards of Conduct Agreement*, are completed accurately and signed and dated
- Confirm all CE requirements have been met, such as passed all required certifications, met volunteer hour requirements for instructor, tax return preparer, and/or quality reviewer, and listed specialty course(s), if volunteering as an instructor
- Ensure the EA or OTRP volunteer certified with the passing “P”-indicator; in VSC, Advanced, and at least one specialty module if volunteer is an instructor
- Add the allowable CE credit hours. If all qualifications have been met, the number of hours should be one of the following:
  - Tax Return Preparer/Quality Reviewer - 14 credits
  - Instructor - 8 credits
  - Tax Return Preparer, Instructor, and Quality Reviewer - 18 credits
- Update the SPEC CE database with the required information (e.g. PTIN, address, volunteer position, certification) no later than May 15th
- Maintain Form 13615 for one year
- Work with the Area Analysts to resolve any discrepancies with data on the CE database
- Confirm with site/local coordinators during Field Site Visits the CE credit procedures and explain the process, if necessary. If available, review Form 13615 at the site and provide necessary assistance

Your relationship manager will make the request for the preparation of any CPA CE Certificates and secure the Director’s signature prior to mailing to the CPA.

### Record Keeping Retention Requirements

Continuing Education (CE) record keeping retention requirements, as mandated by the Return Preparer Office (RPO), is for a term of 4 years. These requirements require SPEC to upload and update all data contained in the Form 13615, *Volunteer Standards of Conduct Agreement*, into the two designated internal databases for CE Credits for 4 years.

## Summary

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- The VITA/TCE Programs are approved to provide Continuing Education credits for Enrolled Agents and Other Tax Return Preparers.
  - The tax return preparer volunteer receiving CE credits is new for the 2015 filing season. The Return Preparer Office expanded the VITA/TCE Continuing Education Program to include IRS-tax certified volunteers who serve Tax Return Preparers and meeting all requirements, a volunteer can earn up to 14 hours of CE credits.
  - Enrolled Agents and Other Tax Return Preparers:
    - Must meet requirements as IRS-tax law certified volunteer instructors, tax return preparers, or quality reviewers
    - Must complete Volunteer Standards of Conduct (Ethics) training and pass the VSC test using Link & Learn Taxes
    - Must certify at the Advanced level in tax law using Link & Learn Taxes before beginning their volunteer service
    - Can receive up to 14 hours of CE credits as tax return preparers or quality reviewers
    - Can receive up to 8 hours of CE credits as tax law instructors
    - Can receive up to 18 hours of CE credits by meeting the requirements for instructor, tax return preparer, and/or quality reviewer/tax return preparer
  - SPEC partners must validate completion of CE requirements using Form 13615, *Volunteer Standards of Conduct Agreement*.
  - SPEC will issue a Continuing Education certificate to EA and OTRP upon completion of all program requirements.
  - Enrolled Agents and Other Tax Return Preparers cannot be compensated for their work as instructors, tax return preparers, or quality reviewers if they are seeking CE credits.
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## Summary Exercises

### Summary Exercise 9-1

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Certified Public Accountants are required to have PTIN to receive CE credits?

Answer:

☐ True   ☐ False

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### Summary Exercise 9-2

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Form 13615, *Volunteer Standards of Conduct Agreement*, must be provided to your relationship manager no later than\_\_\_\_\_?

Answer:

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### Summary Exercise 9-3

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EA and OTRP can secure a PTIN through their relationship manager?

Answer:

☐ True   ☐ False

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### Summary Exercise 9-4

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What is the maximum number of CE credits hours the EA or OTRP can receive?

Answer:

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### Summary Exercise 9-5

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Can the relationship manager validate, sign, and date Form 13615 for EA or OTRP volunteers?

Answer:

☐ Yes   ☐ No

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## Answers to Summary Exercises

### Summary Exercise 9-1

Certified Public Accountants are required to have PTIN to receive CE credits?

Answer:

☐ True   ☒ False

CPAs are not required to have a PTIN, but if the CPA does have a PTIN the RPO office will track CE credits earned on the RPO website. It is still the responsibility of the CPA to submit their CE certificates to their local governing board/societies for CE credit.

### Summary Exercise 9-2

Form 13615, *Volunteer Standards of Conduct Agreement*, must be provided to your relationship manager no later than\_\_\_\_\_?

Answer:

April 30th. Form 13615 must be provided to RM no later than April 30th for sites closing by April 15th. For year round sites, it must be provided monthly after April 30th once the CE requirements are met.

### Summary Exercise 9-3

EA and OTRP can secure a PTIN through their relationship manager?

Answer:

☐ True   ☒ False

EAs and OTRPs must register or renew their PTIN through IRS.gov; click on for Tax Pros. EAs and OTRPs can also manage their accounts and view their CE credits once approved by the RPO.

### Summary Exercise 9-4

What is the maximum number of CE credits hours the EA or OTRP can receive?

Answer:

18 CE credits hours. If all qualifications have been met, the number of hours should be one of the following:

- ☐ Tax Return Preparer/Quality Reviewer - 14 credits
- ☐ Instructor - 8 credits
- ☐ Tax Return Preparer, Instructor, and Quality Reviewer - 18 credits

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### Summary Exercise 9-5

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Can the relationship manager validate, sign, and date Form 13615 for EA or OTRP volunteers?

Answer:

☐ Yes   ☒ No

Only the partner or site coordinator can accurately verify the service hours were met. The role of the Relationship Manager is to accept the document from the volunteer and verify that all of the entries were properly made. Then the RM can input the information into the CE SharePoint site.

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# Lesson 10

## Certifying Acceptance Agent Program

### Overview

This lesson contains the following topics:

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### Additional References



- Form 13551, *Application to Participate in the IRS Acceptance Agent Program*
- Form W-7, *Application for IRS Individual Taxpayer Identification Number*
- Form W-7 (COA), *Certificate of Accuracy for IRS Individual Taxpayer Identification Number*
- Publication 4520, *Acceptance Agents Guide for Individual Taxpayer Identification Number*
- Publication 1915, *Understanding Your IRS Individual Taxpayer Identification Number (ITIN)*

### Introduction

SPEC is working collaboratively with community based organizations and non-profits to recruit more Certifying Acceptance Agents (CAA). The mission is to increase the availability of Individual Tax Identification Number (ITIN) services throughout the nation and within local communities. SPEC has formed a CAA Strategy Team. The SPEC CAA Strategy entails a more streamlined application process for SPEC VITA/TCE partners to obtain Certifying Acceptance Agent status.

#### The goals of the SPEC Certifying Acceptance Agent Program Initiative are to:

- Assist low income individuals with a filing requirement, who do not qualify for a Social Security Number, apply for an Individual Tax Identification Number (ITIN) and file a valid Federal tax return.
- Build and/or increase relationship with partners to establish sites with availability of ITIN services/assistance.
- Promote ongoing communication between IRS and SPEC CAA partners to establish guidelines and procedures to ensure the success of this initiative. New partner sites participating in the SPEC CAA Initiative must be visited during their initial year in the program. Thereafter, visits are contingent on need (i.e. adherence to guidelines). These assistance visits are a part of SPEC's Field Site Visits (FSV) and ensure our partners are aware of and comply with IRS rules governing the CAA Program. Partners may also be selected for Quality Statistical Sample (QSS) and ITIN Program Office (IPO) reviews.

**NOTE:** A SPEC CAA partner assistance visit/review does not exclude the partner from separate reviews that may be conducted by the ITIN Program Office (IPO). If selected for review, IPO will send a listing of CAA partners to the HQ analyst and the partner will be contacted directly by the IPO. Once partners are identified, the HQ analyst will share the list with each Area office.

### Objectives

After completing this lesson, you will be able to:

1. Identify the roles and responsibilities of a Certifying Acceptance Agent.
2. Outline the eligibility requirements to become a Certifying Acceptance Agent
3. Prepare Form 13551, *Application to Participate in the IRS Acceptance Agent Program*, for submission.
4. Define the expectations of a SPEC Certifying Acceptance Agent.



## Acceptance Agent and Certifying Acceptance Agent

### Acceptance Agent (AA)

An Acceptance Agent (AA) is a person, business or organization (college, accounting firm or financial institution) authorized by the IRS to help aliens and other foreign individuals get an Individual Taxpayer Identification Number (ITIN) or Employer Identification Number (EIN), if they are ineligible to receive a Social Security Number.

### Certifying Acceptance Agent (CAA)

A Certifying Acceptance Agent (CAA) is an Acceptance Agent who can provide even more help with the ITIN application process. CAA partners can verify the applicant's claim of identity and foreign status by reviewing required supporting documents to ensure ITIN application requirements are met. This facilitates the ITIN application process for the applicant, since original documents are immediately returned to the applicant, and eliminates the potential for lost documents.

SPEC CAA partners retain copies of the original documents and are required to maintain the documentation for three years after the ITIN has been assigned. The CAA partner submits the following to the IRS:

- Form W-7, *Application for IRS Individual Taxpayer Identification Number*
- Form W-7 (COA), *Certificate of Accuracy for IRS Individual Taxpayer Identification Number*
- Copies of authenticated documents, and
- A federal income tax return (documents proving exception to the tax return requirement)

Once the ITIN is issued, the CAA partner receives notification of the applicant's ITIN directly from the IRS.

## Eligibility to Become a Certifying Acceptance Agent

### CAA Eligibility Requirements

SPEC partners interested in becoming Certifying Acceptance Agents must meet the following requirements:

- Have a valid EIN.
- Be an established VITA/TCE site with two or more years of experience or a partner that actively engages in supporting the preparation of tax returns and highly recommended by the SPEC Territory Manager. This could possibly include banks, credit unions, and government entities.
- The responsible officer identified by the organization must be a permanent employee (volunteers do not qualify) at least 18 years of age.
- Individuals identified as the Authorized Representative, must be a legal resident of the U.S. If a non-resident, they must reside outside the U.S.
- The organization and designated employee must pass a tax compliance check and be in compliance with filing and paying any tax liability.
- SPEC CAA VITA/TCE partners should be open year-round to answer questions and provide service to people for whom they previously prepared a Form W-7. They must also provide a permanent address where correspondence can be sent.
- Adhere to SPEC's Quality Site Requirements (QSR).

### Submitting Form 13551, Application to Participate in the IRS Acceptance Agent Program

New and renewing applications will only be accepted during the program's open season which is May 1st through August 31st of each year. The agreement is effective for 4 years and expires on December 31st of the fourth year. All applicants must take the following steps before submitting an application:

- Complete the mandatory Acceptance Agent training available online at [ITIN AA-CAA Online Pre-Application Training PowerPoint](#). All new and renewing applicants (authorized representatives) for the IRS Acceptance Agent Program are required to complete the mandatory training before submitting Form 13551, *Application to Participate in the IRS Acceptance Agent Program*, for approval. Training Certification Statement for ITIN Acceptance Agents must be signed, dated, and attached to Form 13551 when submitting to IRS.
- Complete formal Forensic Document Training to obtain the necessary skills to determine the authenticity of identification documents.

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### Submitting Form 13551, *Application to Participate in the IRS Acceptance Agent Program* (continued)

This training provides the skills to effectively recognize fraudulent documents, such as, passports, driver's licenses, birth certificates, visas, national identification cards, military and US State identification cards. This training is provided by SPEC and must be completed by each authorized representative prior to the end of open season.

- Complete Form 13551 and attach fingerprint card (if applicable). Most SPEC VITA/TCE partners are not required to submit fingerprint cards. However, an authorized representative who has been assessed preparer penalties, been convicted of a crime, failed to file personal tax returns or pay tax liabilities, or been convicted of any criminal offense will have to attach a fingerprint card for an FBI background check.
- Attach the Training Certification Statement for ITIN Acceptance Agents for each authorized representative (person listed in block 5 of the application).
- Mail completed package to:

Internal Revenue Service  
3651 S. IH 35  
Stop 6380AUSC  
Austin, TX 78741

- Generally the processing time frame is 120 days. The ITIN Program Office (IPO) strives to process SPEC CAA applications sooner if "VITA/TCE Partner" is in red on top of the application. SPEC Partners are encouraged to submit Form 13551 early.

### SPEC Certifying Acceptance Agent Responsibility

SPEC CAA partners are expected to:

- Prepare and submit at least five Forms W-7 during a calendar year.
- Maintain a cumulative accuracy rate of 90 percent.
- Acquire and use recommended forensic tools when reviewing ITIN documentation.
- Interview applicants with respect to ITIN documentation provided and question inconsistencies.
- Ensure Form W-7(COA) that accompanies Form W-7, is certified by the Authorized Representative(s) on Form 13551, *Application to Participate in the IRS Acceptance Agent Program*.
- Maintain copies of complete Form W-7 application packages (includes Form W-7, Form W-7(COA), federal tax return, documents to

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### SPEC Certifying Acceptance Agent Responsibility (continued)

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prove the individuals foreign status and identity, and interview notes) for three years.

- Adhere to site and data security:
  - Interview areas are to be free of unauthorized disclosures of taxpayer or partner information.
  - Access to taxpayer files should be limited to authorized individuals and securely stored at the end of each day.
- SPEC CAA partners should be aware of the general fraud awareness and prevention covered during Field Site Visits and QSS Reviews. Specifically, partners should be mindful of errors in Child Tax Credit (CTC) claims. CTC is only applicable to eligible dependents that reside in the United States. Fraudulent claims will be referred to SPEC Headquarters for review/assessment.

### Territory Responsibility

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As a general rule, the CAA partner should be familiar with Publication 4520, *Acceptance Agents Guide for Individual Taxpayer Identification Number*, CAA Agreement, and Revenue Procedure 2006-10. Partners may obtain this information from their relationship managers.

During field site visits (FSV), SPEC Relationship Managers can assist SPEC CAAs in adhering to requirements by discussing the following:

- SPEC CAA Form W-7 application submissions (including associated documents)
  - Recordkeeping retention
  - Site and data security
  - Fraud awareness and prevention
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## Summary

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- Mission of the SPEC CAA partner is to increase the availability of Individual Tax Identification Number (ITIN) services throughout the nation and within local communities.
  - An important factor in ensuring the success of the SPEC Certifying Acceptance Agents Program is the promotion of goodwill and open communication between IRS and SPEC CAA partners.
  - The role of the SPEC CAA partner is to verify the applicant's identity and foreign status by reviewing the required documentation which facilitates the ITIN application process for the applicant.
  - A SPEC CAA partner must meet certain criteria in order to be accepted in the program (i.e., have a valid EIN; be an established VITA/TCE site for two or more years; responsible officer must be a permanent employee and at least 18 years old; pass a tax compliance check and be current in filing and paying tax liabilities; and adhere to SPEC Quality Site Requirements).
  - New and renewal applications will only be accepted during the program's "open season" which is May 1st through August 31st of each year.
  - All new and renewing applicants are required to complete: Form 13551, *Application to Participate in the IRS Acceptance Agent*.
  - SPEC CAA partners are required to submit at least five Forms W-7 annually and maintain a 90 percent accuracy rating; adhere to recordkeeping retention, site and data security, and fraud awareness and prevention.
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## Summary Exercises

### Summary Exercise 10-1

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How many Forms W-7 are SPEC Certified Acceptance Agents (CAAs) required to submit in a calendar year?

Answer:

### Summary Exercise 10-2

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All applicants are required to complete mandatory Acceptance Agent training?

Answer:

☐ True   ☐ False

### Summary Exercise 10-3

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List the documents a CAA will need from an ITIN applicant in order to assist in the application process:

Answer:

- 1)
  - 2)
  - 3)
  - 4)
-

## Answers to Summary Exercises

### Summary Exercise 10-1

How many Forms W-7 are SPEC Certified Acceptance Agents (CAAs) required to submit in a calendar year?

Answer:

Five Forms W-7 must be submitted each calendar year.

### Summary Exercise 10-2

All applicants are required to complete mandatory Acceptance Agent training?

Answer:

☒ True   ☐ False

All applicants are required to take the training. If a partner is already an Acceptance Agent and is not up for renewal, they will not be required to take the training; however, upon renewal (agreement is effective for 4 years), they will be required to take the training and must attach the required certification with Form 13551. The training is required for all current AA/CAAs because it provides detailed information that will help eliminate or reduce the number of rejects and suspended applications.

### Summary Exercise 10-3

List the documents a CAA will need from an ITIN applicant in order to assist in the application process:

Answer:

- 1) Form W-7, *Application for IRS Individual Taxpayer Identification Number*
- 2) Form W-7 (COA), *Certificate of Accuracy for IRS Individual Taxpayer Identification Number*
- 3) Copies of authenticated documents
- 4) Federal income tax return (documents proving exception to the tax return requirement)